

EXHIBIT 1



**Service of Process
Transmittal**

06/25/2012

CT Log Number 520744583

TO: George Popofski
Quicken Loans Inc.
1050 Woodward Ave.
Detroit, MI 48226

RE: Process Served in West Virginia

FOR: Quicken Loans Inc. (Domestic State: MI)

ENCLOSED ARE COPIES OF LEGAL PROCESS RECEIVED BY THE STATUTORY AGENT OF THE ABOVE COMPANY AS FOLLOWS:

TITLE OF ACTION: Phillip Alig, et al., Pltfs. vs. Quicken Loans, Inc., et al., Dfts.
Name discrepancy noted.

DOCUMENT(S) SERVED: Coversheet, Summons, First Amended Complaint, Exhibit(s)

COURT/AGENCY: Ohio County Circuit Court, WV
Case # 11C428

NATURE OF ACTION: Quicken Loans materially misrepresented the market value of the Alig's property

ON WHOM PROCESS WAS SERVED: C T Corporation System, Charleston, WV

DATE AND HOUR OF SERVICE: By Certified Mail on 06/25/2012 postmarked on 06/22/2012

JURISDICTION SERVED : West Virginia

APPEARANCE OR ANSWER DUE: Within 30 days after service of this summons, exclusive of the day of service

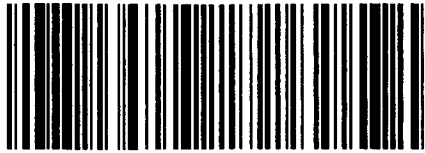
ATTORNEY(S) / SENDER(S): James G. Bordas, Jr.
Bordas & Bordas, PLLC
1358 National Road
Wheeling, WV 26003
304-242-8410

REMARKS: Service of Process made on West Virginia Secretary of State on 06/21/2012 and sent to CT Corporation on 06/21/2012.

ACTION ITEMS: CT has retained the current log, Retain Date: 06/25/2012, Expected Purge Date: 06/30/2012
Image SOP
Email Notification, George Popofski georgepopofski@quickenloans.com
Email Notification, Andy Lusk andrewlusk@quickenloans.com
Email Notification, Amika Thornton amikathornton@quickenloans.com

SIGNED: C T Corporation System
PER: Amy McLaren
ADDRESS: 5400 D Big Tyler Road
Charleston, WV 25313
TELEPHONE: 800-592-9023

Office of the Secretary of State
Building 1 Suite 157-K
1900 Kanawha Blvd E
Charleston, WV 25305



9171 9237 9000 1000 6921 49



Natalie E. Tennant

Secretary of State
Telephone: 304-558-6000
Toll Free: 866-SOS-VOTE
www.wvsos.com

ControlNumber: 338590

Defendant: Quicken Loans Inc.

County: 35

6/21/2012

Civil Action: 11-C-428

Quicken Loans Inc.
C. T. Corporation System
5400 D Big Tyler Road
Charleston WV 25313

I am enclosing:

<input type="checkbox"/> summons	<input type="checkbox"/> affidavit	<input type="checkbox"/> summons and complaint
<input type="checkbox"/> notice	<input type="checkbox"/> answer	<input type="checkbox"/> summons and verified complaint
<input type="checkbox"/> order	<input type="checkbox"/> cross-claim	<input type="checkbox"/> summons and amended complaint
<input type="checkbox"/> petition	<input type="checkbox"/> counterclaim	<input type="checkbox"/> 3rd party summons and complaint
<input type="checkbox"/> motion	<input type="checkbox"/> request	<input type="checkbox"/> notice of materialmans lien
<input type="checkbox"/> suggestions	<input type="checkbox"/> notice to redeem	<input type="checkbox"/> notice of mechanic's lien
<input type="checkbox"/> interrogatories	<input type="checkbox"/> request for production	<input type="checkbox"/> re-issue summons and complaint
<input type="checkbox"/> discovery	<input type="checkbox"/> request for admissions	<input type="checkbox"/> subpoena duces tecum
<input type="checkbox"/> suggestee execution	<input type="checkbox"/> notice of uim claim	<input checked="" type="checkbox"/> <u>1</u> Summons and 1st Amended Complaint
<input type="checkbox"/> subpoena	<input type="checkbox"/> writ	
<input type="checkbox"/> stipulation	<input type="checkbox"/> writ of mandamus	

which was served on the Secretary at the State Capitol as your statutory attorney-in-fact. According to law, I have accepted service of process in the name and on behalf of your corporation.

Please note that this office has no connection whatsoever with the enclosed documents other than to accept service of process in your name and on behalf as your attorney-in-fact. Please address any questions about this document directly to the court or the plaintiff's attorney, shown in the enclosed paper, not to the Secretary of State's office.

Sincerely,

Natalie E. Tennant
Secretary of State

SUMMONS

IN THE CIRCUIT COURT OF OHIO COUNTY, WEST VIRGINIA

CIVIL CASE NO. 11-C-428

PHILLIP ALIG AND
SARA ALIG
AND
ROXANNE SHEA AND
DAN SHEA, HUSBAND AND WIFE

VS.

QUICKEN LOANS INC

APPRAISALS UNLIMITED, INCORPORATED

DEWEY V. GUIDA

TITLE SOURCE, INC.

RICHARD W. HYETT

PLEASE SERVE:

QUICKEN LOANS INC.
C/O CT CORPORATION SYSTEM
5400 D BIG TYLER ROAD
CHARLES, WV 25313

APPRAISALS UNLIMITED INCORPORATED
C/O DEWEY V. GUIDA, PRESIDENT
3376 MAIN STREET
WEIRTON, WV 26062

DEWEY V. GUIDA
1012 BARONE DRIVE
WEIRTON, WV 26062

TITLE SOURCE, INC.
D/B/A/ TITLE SOURCE, INC. OF WEST VIRGINIA
C/O CT CORPORATION SYSTEM
5400 D BIG TYLER ROAD
CHARLES, WV 25313

RICHARD W. HYETT
RD 1 BOX 406
MOUNDSVILLE, WV 26041

TO THE ABOVE NAMED DEFENDANT(S):

IN THE NAME OF THE STATE OF WEST VIRGINIA, YOU ARE HEREBY SUMMONED AND REQUIRED TO SERVE UPON JASON E. CAUSEY, ESQUIRE WHOSE ADDRESS IS 1358 NATIONALA ROAD, WHEELING, WV 26003 AN ANSWER, INCLUDING ANY RELATED COUNTERCLAIM YOU MAY HAVE TO THE COMPLAINT FILED AGAINST YOU IN THE ABOVE STYLED CIVIL ACTION, A TRUE COPY OF WHICH IS HEREWITH DELIVERED TO YOU. YOU ARE REQUIRED TO SERVE YOUR ANSWER WITHIN 30 DAYS AFTER SERVICE OF THIS SUMMONS UPON YOU, EXCLUSIVE OF THE DAY OF SERVICE. IF YOU FAIL TO DO SO, JUDGMENT BY DEFAULT WILL BE TAKEN AGAINST YOU FOR THE RELIEF DEMANDED IN THE COMPLAINT AND YOU WILL THEREAFTER BE BARRED FROM ASSERTING IN ANOTHER ACTION ANY CLAIM YOU MAY HAVE WHICH MUST BE ASSERTED BY COUNTERCLAIM IN THE ABOVE STYLED CIVIL ACTION.

June 15, 2012



BRENDA L. MILLER
CLERK OF COURT

BY:

DEPUTY CLERK

ACCEPTED FOR
SERVICE OF PROCESS
2012 JUN 21 PM 4:18
SECRETARY OF STATE
STATE OF WEST VIRGINIA

IN THE CIRCUIT COURT OF OHIO COUNTY, WEST VIRGINIA

PHILLIP ALIG, SARA J. ALIG,
ROXANNE SHEA and DANIEL V. SHEA,
Individually and on behalf of a class of persons,

Plaintiffs,

v.

Civil Action Nos. 428 & 430
Judge Gaughan

QUICKEN LOANS, INC., and
TITLE SOURCE, INC. d/b/a TITLE
SOURCE INC. OF WEST VIRGINIA,
INCORPORATED, DEWEY V. GUIDA,
APPRAISALS UNLIMITED, INC., and
RICHARD HYETT,

Defendants.

FIRST AMENDED COMPLAINT

Through their undersigned counsel, Plaintiffs bring this action on their own behalves and on behalf of a proposed class of West Virginians. Plaintiffs allege the following based on personal knowledge as to allegations regarding the Plaintiffs, and on information and belief as to other allegations.

I. INTRODUCTION

1. This action arises out of the conduct of the network of persons and entities involved in facilitating unlawful Quicken mortgage loans in West Virginia. Each Defendant's participation in the origination of Quicken mortgage loans is essential to the enterprise.

2. Defendants, and the claims alleged, include: (a) Quicken Loans, Inc., who originates the unlawful loans to West Virginia borrowers, charges borrowers a host of unlawful fees, and fails to provide borrowers with signed copies of loan documents at closing as West Virginia law requires; (b) Quicken's affiliate, Title Source, Inc., who purportedly performs loan-related services for borrowers and extracts unlawful fees from them, and whose



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participation in the transaction as an undisclosed affiliate violates state consumer-finance laws; and (c) a class of real estate appraisers—represented by Appraisals Unlimited, Inc., Dewey V. Guida, and Richard Hyett (collectively, “Defendant Appraiser Class”)—who receive appraisal assignments from Quicken that improperly include the targeted appraisal figure Quicken needs to issue the loans.

II. IDENTIFICATION OF THE PARTIES

3. Plaintiffs Phillip Alig, Sara J. Alig, Roxanne Shea, and Daniel V. Shea are now, and have been, residents of Ohio County, West Virginia at all times material and relevant herein.

4. Defendant Quicken Loans, Inc. (“Quicken Loans” or “Quicken”) is a corporation organized under the laws of the State of Michigan with its principal place of business located in Livonia, Michigan. Its agent for service of process is CT Corporation System, 707 Virginia Street E, Charleston, West Virginia 25301. Quicken Loans is part of a financial network and wholly owned by Rock Holdings, which is the same parent company that wholly owns Defendant Title Source, Inc. At all relevant times, Quicken Loans was actively engaged in the business of soliciting, writing and administering prime and sub-prime loans to West Virginia residents.

5. Defendant Title Source, Inc., d/b/a Title Source Inc. of West Virginia (“TSI”), is a corporation organized under the laws of the State of Michigan with its principal place of business located in Troy, Michigan. Its agent for service of process is Jeffrey Eisenshtadt, 1450 West Long Lake Road, Suite 400, Troy, Michigan 48098. TSI is a sister corporation of Quicken Loans, has a close relationship with Quicken Loans, shares office space with Quicken Loans, and acts as its appraisal management company.



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6. Defendant Appraisals Unlimited, Incorporated is a corporation organized under the laws of the State of West Virginia with its principal place of business located in Weirton, West Virginia. Process is to be served on its president, Dewey V. Guida at 3376 Main Street, Weirton, West Virginia 26062. At all relevant times, it was actively engaged in the business of appraising real property in the State of West Virginia.

7. Defendant Dewey V. Guida ("Guida") is an individual residing at 1012 Barone Drive, Weirton, West Virginia. At all relevant times, Guida was engaged in the business of appraising real property in the State of West Virginia.

8. Guida is a long term appraiser for Quicken and TSI performing more than one hundred appraisals of West Virginia properties for them and receiving their highest ranking for appraisers. Appraisals Unlimited and Guida have repeatedly provided Quicken with inflated appraisals and were primary defendants in the predatory lending matters styled, *Brown v. Quicken Loans Inc., et al.*, Ohio County Civil Action No. 08-C-36; *O'Brien v. Quicken Loans Inc., et al.*, Ohio County Civil Action No. 09-C-376; *Blankenship v. Quicken Loans Inc., et al.*, Ohio County Civil Action No. 10-C-80; and *Duncan v. Quicken Loans Inc., et al.*, Ohio County Civil Action No. 10-C-70.1, from whom significant relief was sought and obtained by way of settlements found to be in good faith by the respective trial courts.

9. Defendant Richard W. Hyett ("Hyett") is an individual residing at RD 1 Box 406, Moundsville, West Virginia. At all relevant times, Hyett was engaged in the business of appraising real property in the State of West Virginia.

10. Each of the above-named Defendants is liable for the unlawful acts of the others under the doctrines of agency, joint venture, and/or civil conspiracy.

¹ Appraisals Unlimited and Guida are also primary defendants in the pending action styled, *Cline v. Quicken Loans Inc., et al.*, Marshall County Civil Action No. 11-C-38, from whom significant relief is sought.



III. FACTUAL ALLEGATIONS

A. Quicken's Standard Practices

Quicken's Standard Practice Was To Communicate Target Appraisal Values To Its Appraisers In Order To Originate Loans

11. The U.S. Department of the Treasury has defined predatory lending as “engaging in deception or fraud, manipulating the borrower through aggressive sales tactics, or taking unfair advantage of a borrower’s lack of understanding about loan terms...that, alone or in combination, are abusive or make the borrower more vulnerable to abusive practice.”

12. As part of its predatory lending practices, Quicken has systematically sought to influence appraisers to provide appraisal values high enough to support issuance of loans.

13. One of the ways Quicken Loans has sought to influence appraisers is to provide the appraisers with suggested or estimated values on appraisal request forms before the appraisers provide their appraisal reports.

14. The practice of influencing appraisers has long been condemned by regulators, government agencies, the Appraisal Foundation, and others.

15. In *Brown v. Quicken Loans, Inc., et al.*, Civil Action No. 08-C-36 (Cir. Ct. of Ohio County) (Recht, J.), the Court determined that such a practice is contrary to the common law and consumer protection statutes of West Virginia, and concluded that “[n]o legitimate purpose is served by providing an appraiser with an estimated value of a property. The only purpose could be to inflate the true value of the property.”

16. To obtain a Quicken mortgage loan, a borrower is required to pay the cost of the appraisal. Quicken charged borrowers, including the Plaintiffs, for the appraisal cost, but did not inform them of its efforts to influence the appraisal by passing on target appraisal values to purportedly independent appraisers.



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17. Quicken Loan's actions in compromising the integrity of the appraisal process rendered its appraisals unreliable and worthless.

***Quicken's Standard Practice Was
To Assess Unlawful And Excessive Fees***

18. After Quicken Loans obtained an appraisal value sufficient to sustain the loan, Quicken employed standard practices to charge borrowers, including the Plaintiffs, excessive and unlawful fees.

19. For instance, Quicken would charge borrowers false, excessive, and unlawful fees for, *inter alia*, notarial services, document preparation, courier services, and bogus "loan discount" charges.

20. These fees violate applicable law, and have enriched Quicken at the expense of its borrowers.

***Quicken's Standard Practice Was To Provide
Borrowers With Unsigned Copies Of Loan Documents***

21. The loans at issue in this case are primary mortgage loans, *see* W. Va. Code § 31-17-1(m), and therefore are subject to the requirements of the Residential Mortgage Lending Act.

22. At closing, Quicken provided West Virginia borrowers with a thick packet of unsigned loan documents. The packet included documents such as an amortization schedule, appraisal, payoff statement, invoices for closing-related services, insurance information, escrow disclosures, loan disbursement statement, note, deed of trust, and other critical loan documents.

23. The Residential Mortgage Lending Act provides that "[a] borrower must be given a copy of every signed document executed by the borrower at the time of closing." W. Va. Code § 31-17-8(j)(6).



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24. Despite this requirement, West Virginia borrowers, including the Plaintiffs, did not receive a copy of every signed document they executed at the time of closing.

***Quicken's Standard Practice Was To Charge Fees
Prohibited By The Residential Mortgage Lending Act***

25. The Residential Mortgage Lending Act provides that "[e]xcept for fees for services provided by unrelated third parties for appraisals, inspections, title searches and credit reports, no application fee may be allowed" except in certain limited circumstances inapplicable in mortgage refinancing cases. See W. Va. Code § 31-17-8(g).

26. Notwithstanding this limitation, Defendant Quicken charged West Virginia borrowers, including the Plaintiffs, a fee payable to Title Source, Inc.

27. At the time each loan was closed, Title Source, Inc. was not an unrelated third party, but instead was an affiliate of Defendant Quicken.

28. The fees designated for Title Source, Inc. cannot be charged under the Residential Mortgage Lender Act.

B. The Named Plaintiffs' Allegations

The Alig 2007 loan

29. In late 2007, Quicken Loans solicited the Aligs to refinance their existing mortgage loan.

30. Quicken Loans arranged for Defendants Guida and Appraisals Unlimited to appraise the Aligs' home.

31. Upon information and belief, Quicken followed its standard unlawful practice of sending Defendants Guida and Appraisals Unlimited an appraisal request form that included a target appraisal value in the form of an "estimated value."



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32. Defendants Guida and Appraisals Unlimited issued an appraisal report stating that, as of December 17, 2007, the market value of the Aligs' home was \$125,500.

33. In fact, the market value of the home as of that date was \$99,500, a fact the Aligs did not discover until 2011.

34. Through its appraisal, Quicken Loans materially misrepresented the market value of the Aligs' property.

35. The Aligs justifiably relied on this misrepresentation, to their detriment.

36. In reliance on the appraisal, on or about December 27, 2007, the Aligs executed a promissory note in the principal sum of \$112,500.00; the note was secured by a deed of trust on the Aligs' property in favor of Quicken Loans (the "Alig 2007 loan").

37. Quicken charged the Aligs \$7,043.00 for origination and closing costs. These points, fees and costs were excessive, at least in part, because they were not *bona fide*, actually incurred by Quicken, reasonable, authorized by contract, or authorized by West Virginia law. The Settlement Statement for this loan is attached as **Exhibit A**.

38. The unlawful fees include:

- a. Excessive fees for notary services;
- b. \$260.00 for the bogus Guida/Appraisals Unlimited appraisal;
- c. \$45.00 for an "Express Mail/Courier Fee" that does not truly reflect the cost of any express mail or courier service provided with respect to the Alig 2007 loan; and
- d. A "loan discount fee" of 3.5% of the loan amount, or \$3,953.25.

39. The loan discount fee purportedly was a charge for the Aligs to "buy down" their interest rate.

40. In fact, the loan discount fee did not reduce the Aligs' interest rate at all.



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41. Instead, the loan discount fee was simply part of a compensation package Quicken provided to its agents or “mortgage bankers.” The package gave Quicken’s mortgage bankers the discretion to charge a rate/point/fee structure that exceeds the structure for which its customers qualified. Quicken refers to the revenue generated by the loan discount fee as a “premium,” and splits the proceeds between itself and its loan agents.

42. Quicken Loans’ misrepresentation of the loan discount fee is materially false, deceptive, and unfair.

43. The Aligs did not discover the true nature of these excessive charges until 2011.

44. The Aligs did not receive signed copies of all loan documents from Quicken at the closing of the 2007 loan.

The Alig 2011 loan

45. In late 2010, Quicken Loans solicited the Aligs to refinance their mortgage loan a second time.

46. Appraiser Lucas R. Johnson issued an appraisal report stating that as of November 22, 2010, the market value of the Aligs’ property was \$115,000.

47. That value was false. At the time, the market value of the Aligs’ property was approximately \$99,500.00.

48. Through its appraisal, Quicken Loans materially misrepresented the market value of the Aligs’ property.

49. The Aligs justifiably relied on this misrepresentation, to their detriment.

50. In reliance on the appraisal, on or about January 18, 2011 the Aligs executed a promissory note in the principal sum of \$113,524.00; the note was secured by a deed of trust on the Aligs’ property in favor of Quicken (the “Alig 2011 Loan”).



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51. Quicken charged the Aligs \$5,054 for origination and closing costs. These charges were excessive, at least in part, because they were not *bona fide*, actually incurred by Quicken, reasonable, authorized by its contracts with the Aligs, or authorized by West Virginia law. The Settlement Statement for this loan is attached as **Exhibit B**.

52. The Aligs were charged a standard fee of \$45.00 for an "Express Mail/Courier Fee" that does not truly reflect the cost of any express mail or courier service provided with respect to the Alig 2011 Loan.

53. The Aligs were not provided with signed loan documents.

The Shea 2006 loans

54. In early 2006, Quicken Loans solicited the Sheas for a pre-approved home purchase loan.

55. Quicken Loans arranged for Defendants Guida and Appraisals Unlimited to perform an appraisal report. The report stated the market value of the home the Sheas intended to purchase was \$151,000 as of April 27, 2006.

56. This appraisal was false. In fact, the market value of the home was \$115,500, a fact the Sheas did not discover until 2011.

57. Through the appraisal, Quicken Loans materially misrepresented the market value of the home.

58. The Sheas justifiably relied on this misrepresentation, to their detriment.

59. In reliance on the appraisal, on or about May 10, 2006 the Sheas executed two promissory notes in the principal sums of \$119,475.00 and \$29,875.00. The notes were secured by deeds of trust on the Sheas' property in favor of Quicken (the "Shea 2006 Loans").



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60. Quicken charged the Sheas \$5,854 for origination and closing costs. These points, fees and costs were excessive, at least in part, because they were not *bona fide*, actually incurred by Quicken, reasonable, authorized by its contracts with the Aligs, or authorized by West Virginia law. The Settlement Statement for this loan is attached as **Exhibit C**.

61. The excessive and unlawful fees include \$260 for the bogus appraisal, and a "loan discount fee" of \$2,986.88, or 2.5% of the loan amount.

62. The loan discount fee, and all loan discount fees referenced in this complaint, was deceptive, unlawful, unfair and improper for the same reasons stated above with respect to the Alig loans.

63. The Sheas did not discover the true nature of the excessive charges, or of the bogus Guida/Appraisals Unlimited appraisal, until 2011.

64. Quicken did not provide the Sheas with copies of signed loan documents.

The Shea 2008 loan

65. In mid-2008, Quicken Loans solicited the Sheas to refinance their 2006 mortgage loans.

66. Quicken Loans arranged for Defendant Hyett to appraise the Shea home. Upon information and belief, Quicken followed its standard practice of sending Defendant Hyett an appraisal request form that included a target appraisal value in the form of an "estimated value."

67. Defendant Hyett issued an appraisal report stating that, as of July 2, 2008, the market value of the Sheas' home was \$158,000.

68. In fact, the market value of the home as of that date was \$135,000, a fact the Sheas did not discover until 2011.



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69. Through the appraisal, Quicken Loans materially misrepresented the market value of the home.

70. The Sheas justifiably relied on this misrepresentation, to their detriment.

71. In reliance on the appraisal, the Sheas executed a promissory note in the principal sum of \$155,548. The note was secured by a deed of trust on the Sheas' property in favor of Quicken (the "Shea 2008 Loan").

72. Quicken charged the Sheas \$6,817 in origination and closing costs. These charges were excessive, at least in part, because they were not *bona fide*, actually incurred by Quicken, reasonable, authorized by its contracts with the Sheas, or authorized by West Virginia law. The Settlement Statement for this loan is attached as **Exhibit D**.

73. The unlawful fees include excessive fees for notary services; \$430.00 for the bogus appraisal; and \$45.00 for an "Express Mail/Courier Fee" that does not truly reflect the cost of any express mail or courier service provided with respect to the loan.

74. The Sheas did not discover the true nature of these excessive charges until 2011.

75. The Sheas were not provided with signed loan documents.

C. Class Allegations

76. Plaintiffs bring this action on their own behalf, and on behalf of all other similarly situated individuals, under Rule 23(b)(3) of the West Virginia Rules of Civil Procedure.

77. The proposed Plaintiff class is tentatively defined as:

All West Virginia citizens at the time of the filing of this action who, within the applicable statute of limitations preceding the filing of this action through the date of class certification, obtained mortgage loans from Defendant Quicken, and (a) were provided unsigned loan documents at closing, (b) were assessed loan discount, courier, or notary



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fees, or (d) for whom Quicken obtained appraisals through an appraisal request form that included an estimate of value of the subject property.

78. Rule 23(a) provides that “[o]ne or more members of a class may sue *or be sued* as representative parties” if the requirements of the Rule are met. W. Va. R. Civ. P. 23(a) (emphasis added).

79. Under this Rule, Plaintiffs bring this action against a class of Defendant Appraisers. The named representative appraisers are Defendants Guida and Hyett.

80. The proposed class of Defendant Appraisers consists of:

All real estate appraisers who are citizens of the State of West Virginia at the time of the filing of this action and who performed appraisals in connection with home-secured loans on West Virginia on behalf of Quicken after receiving an appraisal request form with an estimate of value on it.

81. The requirements of Rule 23 are satisfied.

82. The classes are so numerous that joinder of all members is impracticable.

83. There are questions of law and fact common to all members of the class.

84. The named Plaintiffs’ claims are typical of those of the class as a whole.

85. The Plaintiffs have displayed an interest in vindicating the rights of the class members, will fairly and adequately protect and represent the interest of the class, and are represented by skillful and knowledgeable counsel. The relief sought by the named Plaintiffs will inure to the benefit of the class generally.

86. The common questions of law and fact predominate over individual questions, and the class action device is superior to other available methods for the fair and efficient adjudication of the controversy.



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IV. LEGAL CLAIMS

A. Claims on Behalf of Plaintiffs and the Proposed Class

Count One—Civil Conspiracy (Against all Defendants)

87. Plaintiffs incorporate the preceding paragraphs by reference.

88. By their conduct alleged above, all Defendants and the Defendant Appraiser Class engaged in concerted action to accomplish an unlawful purpose or to accomplish some purpose, not in itself unlawful, by unlawful means.

89. As alleged above, this conduct caused injury to the Plaintiffs.

90. By their conduct alleged above, these Defendants have engaged in an unlawful civil conspiracy.

91. These Defendants combined their money, time, and experience to close the subject loans. Each act undertaken above was in furtherance of and within the scope of this joint effort. Each Defendant benefited from the joint acts.

Count Two—UDAP (Against all Defendants)

92. Plaintiffs incorporate herein each allegation in this Complaint.

93. By their conduct, each Defendant and the Defendant Appraiser Class engaged in unfair or deceptive acts or practices in violation of W. Va. Code § 46A-6-104.

94. This conduct includes, but is not limited to:

- a. Depriving Plaintiffs of the benefit of their bargain—specifically, of a fair and unbiased appraisal—by providing value estimates to appraisers and the acceptance of appraisal orders which contained value estimates.
- b. Omitting and concealing from Plaintiffs the material fact that value estimates were being provided to the appraisers.



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- c. Defendant Quicken Loans charged numerous unlawful fees as alleged herein. Each unlawful fee constitutes a violation of W. Va. Code § 46A-6-104.
- d. Defendant Quicken Loans misrepresented the nature of the “loan discount fee.” This fee provides no discount to borrowers, but is in fact a duplicative broker/lender fee, and is not authorized under West Virginia law.

**Count Three—Residential Mortgage Lending Act
(Against Quicken)**

95. Plaintiffs incorporate herein each allegation in this Complaint.

96. The “Express Mail/Courier Fees,” “Loan Discount Fees,” and notary fees are not authorized by W. Va. Code § 31-17-8 (c), (g), and (m)(1).

97. The “Loan Discount Fee” is in fact a duplicative broker and lender fee, and is misleadingly characterized as a loan discount fee.

98. The “Express Mail/Courier Fees” are excessive, and exceed or misrepresent the fees actually charged by third-party courier services.

99. The notary fees are excessive, and exceed or misrepresent the fees actually charged by the third-party notaries performing notary services.

**Count Four—Unconscionable Contract
(Against Quicken)**

100. Plaintiffs incorporate herein each allegation in this Complaint.

101. Plaintiffs incorporate the preceding paragraphs by reference.

102. As a result of Defendant Quicken’s conduct as alleged above—including, but not limited to, its passing on target appraisal values to appraisers, charging of illegal fees, and providing unsigned loan documents to borrowers—all or part of the subject loans were unconscionable at the time they were made, or were induced by unconscionable conduct. *See* W. Va. Code § 46A-2-121(1).



1358 National Road
Wheeling, WV 26003
t 304-242-8410
f 304-242-3936

246 West Main Street
St. Clairsville, OH 43950
t 740-695-8141
f 740-695-6999

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Count Five—Real Estate Appraiser Licensing & Certification Act
(Against Defendant Appraiser Class)

103. Plaintiffs incorporate herein each allegation in this Complaint.

104. Plaintiffs bring this Count on their own behalf, and on behalf of the proposed Plaintiff Class, against the Defendant Appraisers and the proposed Defendant-Appraiser Class.

105. The Defendant Appraisers and the Defendant-Appraiser Class accepted assignments listing target value numbers on appraisal request forms, and accepted fees contingent upon the reporting of a predetermined value, all in violation of W. Va. Code §§ 30-38-12(3) and 30-38-17.

106. As a result of these violations, Plaintiffs suffered damages, including the costs of their appraisals.

Count Six—Unauthorized Charges
(Against Quicken)

107. Plaintiffs incorporate herein each allegation in this Complaint.

108. Plaintiffs bring this Count on their own behalf, and on behalf of the proposed Plaintiff Class, against Defendant Quicken Loans.

109. Defendant Quicken Loans charged Plaintiffs and Plaintiff Class members numerous unlawful fees.

110. Defendant Quicken Loans charged “Express Mail/Courier Fees” in the amount of \$45, and “Loan Discount Fees” in the amount of a percentage of the loan amount, and often amounted to several thousand dollars. Such fees are not authorized charges under W. Va. Code § 46A-3-109(a) because they are not authorized closing costs or official fees as defined in W. Va. Code §§ 46A-1-102(7) and (28).



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111. The "Loan Discount Fee," contrary to its name, provides no "discount" to the borrower. To the contrary, it is in fact a second (and impermissible) broker/origination fee.

112. Defendant also charged Plaintiffs and Plaintiff Class members unlawful notary fees. Notary fees, such as those charged by Defendants, are not allowable closing costs under W. Va. Code § 46A-1-102(7)(d) because under W. Va. Code § 29C-4-301, the maximum notary fee that may be charged is \$2.00.

113. These illegal fees violate W. Va. Code § 46A-2-128(d), which prohibits the collection of fees or charges incidental to the principal obligation if not allowable by law.

Count Seven—Breach of Contract
(Against Quicken)

114. Plaintiffs incorporate herein each allegation in this Complaint.

115. Plaintiffs bring this Count on their own behalf, and on behalf of the proposed Plaintiff Class, against Defendant Quicken Loans.

116. Quicken Loans has a duty of good faith and fair dealing implied in every contract that neither party shall do anything which will have the effect of destroying or injuring the right of the other party to receive the benefit of their contract.

117. Prior to the consummation of loans, including the above describe loans, Quicken Loans requires potential borrowers, including the Plaintiffs and Plaintiff Class members, to submit a deposit to be used to pay for appraisals and borrowers, including the Plaintiffs, are required to sign a contract typically titled Interest Rate Disclosure and Deposit Agreement pertaining to each party's rights and responsibilities with respect to payment for appraisals. Plaintiffs along with Quicken Loans executed such a contract.

118. Quicken breached its contracts by:



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- a. Depriving Plaintiffs of the benefit of their bargain – specifically, of a fair and unbiased appraisal – by providing value estimates to appraisers; and
- b. Omitted or concealing from Plaintiffs the material fact that value estimates were being provided to the appraisers.

119. Quicken's conduct constitutes a breach of the duty of good faith and fair dealing.

120. As a direct and proximate result of these breaches, Plaintiffs suffered damages, including the cost of the compromised, false and unreliable appraisals.

**Count Eight—Negligence and Negligence Per Se
(Against all Defendants)**

121. Plaintiffs incorporate herein each allegation in this Complaint.

122. The Defendants, Appraisals Unlimited, Guida, and Hyett in making the false appraisals as hereinabove alleged, breached the standards for professional practice in violation of W. Va. Code § 30-38-17.

123. In addition, Defendants, Appraisals Unlimited, Guida, and Hyett breached the duty of care that is required in the appraisal industry, by negligently issuing erroneous appraisal reports upon which the parties relied.

124. As a direct and proximate result of the above-described conduct, the Plaintiffs are entitled to actual damages, as hereinabove described, and a civil penalty pursuant to W. Va. Code § 30-38-15(c).

B. Claims by the Named Plaintiffs Only

**Count Nine—Fraud/Intentional Misrepresentation
(Against all Defendants)**

125. Plaintiffs incorporate herein each allegation in this Complaint.



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126. Quicken Loans by way of its acts, omissions and concealments, intentionally made representations to the Plaintiffs that were false and/or made representations with a reckless disregard as to their veracity.

127. Quicken Loans intended to induce the Plaintiffs to act based on its misrepresentations.

128. Quicken Loans misrepresentations as to the value of Plaintiffs' properties played a substantial part in inducing the Plaintiffs to enter into the above described loan agreements.

129. Such reliance on Quicken Loans misrepresentations by the Plaintiffs was justified.

130. The Plaintiffs further reasonably relied upon the procedures of origination being proper and consistent with prudent industry practices when entering into this loan agreement.

131. As a direct and proximate result of Quicken Loans misrepresentations, as hereinabove alleged, the Plaintiffs suffered actual damages as hereinabove described.

132. The conduct of Quicken Loans and TSI, as hereinabove alleged, was done willfully, wantonly, recklessly and/or with complete indifference to their obligations under West Virginia law. Furthermore, the Defendants Quicken Loans and TSI regularly engage in this type of conduct.

133. The Plaintiffs, in addition to compensatory damages, should be awarded punitive damages in an amount that will punish Quicken Loans and its agent and joint venture partner TSI for their wrongful conduct and will deter them and other similarly situated institutions from engaging in similar conduct in the future.

134. Plaintiffs are further entitled to appropriate equitable relief and the reasonable attorney fees and costs incurred in this action.



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Count Ten—Illegal Loans in Excess of Fair Market Value
(Against all Defendants)

135. Plaintiffs incorporate herein each allegation in this Complaint.

136. Defendants Quicken Loans and TSI induced the Plaintiffs into loan transactions that exceeded the fair market value of the Plaintiffs' property in violation of W. Va. Code § 31-17-8(m)(8).

137. Defendants cannot meet their burden of establishing the elements of the affirmative defense set forth in W. Va. Code § 31-17-8(m)(8), as the appraisals at issue do not reflect independent valuations, were not bona fide and do not conform to the Uniform Standards of Professional Appraisal Practice ("USPAP").

138. As a direct and proximate result of these willful violations, the Plaintiffs are entitled to the following statutory relief: actual damages, to have the loan declared void and to attorneys' fees and costs under W. Va. Code § 31-17-17.

139. The conduct of the Defendants Quicken Loans and TSI, as hereinabove alleged, was done willfully, wantonly, recklessly and/or with complete indifference to their obligations under West Virginia law. Furthermore, the Defendants Quicken Loans, and TSI regularly engage in this type of conduct.

140. The Plaintiffs, in addition to compensatory damages, should be awarded punitive damages in an amount that will punish these Defendants for their wrongful conduct and will deter them and other similarly situated institutions from engaging in similar conduct in the future.


V. RELIEF SOUGHT

On their own behalves, and on behalf of the proposed Plaintiff Class, Plaintiffs seek the following relief:

- a. Certification of the proposed classes;
- b. Judgment on all counts, together with an award of all available relief;
- c. A declaration that Defendants' acts were unlawful;
- d. Injunctive relief ordering the Defendants to cease engaging in the conduct described herein;
- e. For each act or practice found to constitute an unfair or deceptive act or practice, a penalty of the greater of \$200 or actual damages under W. Va. Code § 46A-6-106;
- f. For each violation of Chapter 46A, including but not limited to each assessment of an illegal fee, a civil penalty up to the maximum as provided for under W. Va. Code § 46A-5-101 & 106;
- g. The voiding or modification of the mortgage loans, or a declaration to this effect, for all class members under W. Va. Code §§ 31-17-17 & 46A-2-121;
- h. Disgorgement and restitution of all illegal loan fees;
- i. Actual, compensatory, and punitive damages;
- j. Attorneys' fees and costs;
- k. Pre- and post-judgment interest; and
- l. All other appropriate relief.

JURY TRIAL DEMANDED

Plaintiffs,
By Counsel


JAMES G. BORDAS JR. #409
JASON E. CAUSEY #9482
BORDAS & BORDAS, PLLC
1358 National Road
Wheeling, WV 26003
(304) 242-8410

and



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JOHN W. BARRETT #7289
JONATHAN MARSHALL #10580
BAILEY & GLASSER, LLP
209 Capitol Street
Charleston, WV 25301
(304) 345-6555



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A. Settlement Statement (HUD-1)

OMB Approval No. 2502-0265

1. <input checked="" type="checkbox"/> FHA 2. <input type="checkbox"/> RHS 3. <input type="checkbox"/> Conv. Unins.			6. File Number:	7. Loan Number:	8. Mortgage Insurance Case Number:
4. <input type="checkbox"/> VA 5. <input type="checkbox"/> Conv. Ins.					571-1067590
C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.					
D. Name & Address of Borrower: Phillip A. Allig Sara J. Allig 1971 Highland Ln Wheeling, WV 26003-5418		E. Name & Address of Seller: (304)242-4263 Place of Settlement: 1971 Highland Ln, Wheeling, WV 26003-5418		F. Name & Address of Lender: Quicken Loans Inc. 1050 Woodward Ave Detroit, MI 48226-1906	
G. Property Location: 1971 Highland Ln Wheeling, WV 26003-5418		H. Settlement Agent: Title Source, Inc. Disbursement Date: 01/24/11		I. Settlement Date: January 18, 2011	

Summary of Borrower's Transaction		Summary of Seller's Transaction	
100. Gross Amount Due from Borrower 101. Contract sales price 102. Personal property 103. Settlement charges to borrower (line 1400) \$5,054.41 104. BAC HOME LOANS SERVICE \$109,890.65 105. Adjustment for items paid by seller in advance 106. City/town taxes to 107. County taxes to 108. Assessments to 109. 110. 111. 112. 120. Gross Amount Due from Borrower \$114,945.06 200. Amounts Paid by or in Behalf of Borrower 201. Deposit or earnest money 202. Principal amount of new loan(s) \$113,524.00 203. Existing loan(s) taken subject to 204. Good Faith Deposit to Quicken Loans Inc. \$750.00 205. Lender Credit \$709.50 206. 207. 208. 209. Adjustments for items unpaid by seller 210. City/town taxes to 211. County taxes to 212. Assessments to 213. 214. 215. 216. 217. 218. 219. 220. Total Paid by/for Borrower \$114,983.50 300. Cash at Settlement from/to Borrower 301. Gross amount due from borrower (line 120) \$114,945.06 302. Less amounts paid by/for borrower (line 220) \$114,983.50 303. Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower \$38.44		400. Gross Amount Due to Seller 401. Contract sales price 402. Personal property 403. 404. 405. Adjustments for items paid by seller in advance 406. City/town taxes to 407. County taxes to 408. Assessments to 409. 410. 411. 412. 420. Gross Amount Due to Seller 500. Reductions in Amount Due to Seller 501. Excess deposit (see instructions) 502. Settlement charges to seller (line 1400) 503. Existing loan(s) taken subject to 504. Payoff of first mortgage loan 505. Payoff of second mortgage loan 506. 507. 508. 509. Adjustments for items unpaid by seller 510. City/town taxes to 511. County taxes to 512. Assessments to 513. 514. 515. 516. 517. 518. 519. 520. Total Reduction Amount Due Seller 600. Cash at Settlement to/from Seller 601. Gross amount due to seller (line 420) 602. Less reductions in amount due seller (line 520) 603. Cash <input type="checkbox"/> To <input type="checkbox"/> From Seller	

The Public Reporting Burden for this collection of information is estimated at 36 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.

Settlement Statement
Wolters Kluwer Financial Services VMP 00

Previous editions are obsolete

Page 1 of 4

HUD-1 11/17/08
VMP601FA (09/08).00

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Exhibit B

A. HUD-1 UNIFORM SETTLEMENT STATEMENT

B. Type of Loan

1. ☐ FHA 2. ☐ FmHA 3. ☒ Conv. Unins. 6. File Number: 7. Loan Number: 8. Mortgage Insurance Case Number:

4. ☐ VA 5. ☐ Conv. Ins.

C. NOTE: This form furnishes a statement of settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown for informational purposes and are not included in the totals.

D. Name & Address of Borrower:
Roxanne Shea
21 Ridgewood Avenue
Wheeling, WV 26003

E. Name, Address & TIN of Seller:
Mary Jane Pauley
21 Ridgewood Avenue
Wheeling, WV 26003

F. Name & Address of Lender:
Quicken Loans Inc.
20555 Victor Parkway
Livonia, MI 48152

G. Property Location:
21 Ridgewood Avenue
Wheeling, WV 26003

H. Settlement Agent:
Ihionfeld Law Office PLLC

I. Settlement Date: May 10, 2006

J. Summary of Borrower's Transaction				K. Summary of Seller's Transaction			
100. Gross Amount Due from Borrower:				400. Gross Amount Due to Seller:			
101. Contract sales price		149,350.00		401. Contract sales price		149,350.00	
102. Personal Property				402. Personal Property			
103. Borrower's settlement charges (line 1400)		5,854.00		403.			
104.				404.			
105.				405.			
Adjustments for items paid by seller in advance				Adjustments for items paid by seller in advance			
106. City/town taxes to		0.00		406. City/town taxes to		0.00	
107. County taxes to		0.00		407. County taxes to		0.00	
108. Assessments 5/10/06 to 6/30/06		10.68		408. Assessments 5/10/06 to 6/30/06		10.68	
109. to		0.00		409. to		0.00	
110.				410.			
111.				411.			
112.				412.			
113.				413.			
120. Gross Amount Due from Borrower		155,214.68		420. Gross Amount Due to Seller		149,360.88	
200. Amounts Paid by or in Behalf of Borrower:				500. Reductions in Amount Due to Seller:			
201. Deposits or earnest money				501. Excess deposit (see instructions)			
202. Principal amount of new loan(s)		119,475.00		502. Settlement charges to seller (line 1400)		663.80	
203. Existing loan(s) taken subject to				503. Existing loan(s) taken subject to			
204.				504. Payoff of first mortgage to The Citizens Bank		34,235.55	
205. Credit for application deposit		350.00		505. Payoff of second mortgage			
206. Seller closing cost credit		4,350.00		506. Seller closing cost credit		4,350.00	
207.				507.			
208. Proceeds from second loan		28,354.02		508.			
209.				509.			
Adjustments for items unpaid by seller				Adjustments for items unpaid by seller			
210. City/town taxes to		0.00		510. City/town taxes to		0.00	
211. County taxes 1/1/06 to 5/10/06		219.55		511. County taxes 1/1/06 to 5/10/06		219.55	
212. Assessments to		0.00		512. Assessments to		0.00	
213. to		0.00		513. to		0.00	
214.				514.			
215.				515.			
216.				516.			
217.				517.			
218.				518.			
219.				519.			
220. Total Paid By/for Borrower		152,740.37		520. Total Reduction Amount Due Seller		39,468.90	
300. Cash at Settlement From/to Borrower				600. Cash at Settlement To/from Seller			
301. Gross amount due from borrower (line 120)		155,214.68		601. Gross amount due to seller (line 420)		149,360.88	
302. Less amounts paid by/for borrower (line 220)		152,740.37		602. Less reductions in amount due seller (line 520)		39,468.90	
303. Cash <input checked="" type="checkbox"/> from <input type="checkbox"/> to Borrower		2,468.31		603. Cash <input checked="" type="checkbox"/> to <input type="checkbox"/> from Seller		109,891.78	

Substitute Form 1099 Seller Statement

The information in Blocks E, G, H, I & line 401 (or, if line 401 is asterisked, line 403 and 404) is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported. If this real estate is your principal residence, file Form 2119, *Sale or Exchange of Principal Residence*, for any gain, with your income tax return; for other transactions, complete the applicable parts of Form 4797, Form 6252 and/or Schedule D (Form 1040). You are required to provide the Settlement Agent (named above) with your correct taxpayer identification number. If you do not provide the Settlement Agent with your taxpayer identification number, you may be subject to civil or criminal penalties imposed by law. Under penalties of perjury, I certify that the number shown on this statement is my correct taxpayer identification number.

(Seller)

Mary Jane Pauley
Mary Jane Pauley

(Seller)

/uu. Total Sales/broker's Commission: (based on price)		149,350.00 @	%	Paid from Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of Commission (line 700) as follows:					
701.					
702.					
703. Commission paid at Settlement					0.00
704.					
800. Items Payable in Connection with Loan					
801. Loan Origination Fee					
802. Loan Discount Fee 2.60000%					2,986.80
803. Appraisal Fee to Appraisals Unlimited					180.00
804. Credit Report to KFD (Kroll Factual Data)					7.19
805. Lender's Inspection Fee					
806. Mortgage Insurance Application Fee					
807. Flood life of loan coverage to First American Flood Data Services					5.00
808. Flood cert fee to First American Flood Data Services					10.50
809. Underwriting Fee to Quicken Loans					295.00
810. Processing Fee to Quicken Loans					676.00
811. TSI Appraisal Services					80.00
812.					
813.					
814.					
900. Items Required by Lender to Be Paid in Advance					
901. Interest from May 10, 2006 to Jun 1, 2006 @ 21.9900 per day					483.78
902. Mortgage Insurance Premium for					
903. Hazard Insurance Premium for					
904.					
905.					
1000. Reserves Deposited with Lender					
1001. Hazard Insurance 3 months @ \$ 54.13 per month					162.39
1002. Mortgage Insurance months @ \$ per month					0.00
1003. City property taxes months @ \$ per month					0.00
1004. County property taxes 2 months @ \$ 60.47 per month					100.94
1005. Annual assessments months @ \$ per month					0.00
1006. months @ \$ per month					0.00
1007.					
1008.					
1009. Aggregate Accounting Adjustment					(158.68)
1100. Title Charges					
1101. Settlement/closing fee					
1102. Abstract/title search					
1103. Title examination to Ihlenfeld Law Office PLLC					600.00
1104. Title Insurance binder					
1105. Document preparation					
1106. Notary fees					
1107. Attorney's fees					
(includes above item numbers)					
1108. Title Insurance to First American					380.00
(includes above item numbers)					
1109. Lender's coverage \$119,475.00					
1110. Owner's coverage					
1111. Courier Fee to Ihlenfeld Law Office PLLC					50.00
1112. Document Fee to Ihlenfeld Law Office PLLC					50.00
1113.					
1200. Government Recording and Transfer Charges					
1201. Recording: Deed 11.00 Mortgage 25.00 Release 0.00					36.00 6.00
1202. City/county tax/stamps: Deed 657.80 Mortgage					657.80
1203. State tax/stamps: Deed Mortgage					0.00
1204.					
1205.					
1206.					
1300. Additional Settlement Charges					
1301. Survey					
1302. Pest Inspection					
1303.					
1304. VOD/VOM/VOR to Quicken Loans					10.00
1305.					
1306.					
1307.					
1308.					
1400. Total Settlement Charges (This Number Transfers to Lines 103 & 602 Above)					5,864.00 863.60

CERTIFICATION

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Mary Jane Pauley Seller
 Mary Jane Pauley
 Seller

Roxanne Shea Borrower
 Roxanne Shea
 Borrower

To the best of my knowledge the HUD-1 Settlement Statement which I have prepared is true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

Ihlenfeld Law Office PLLC Settlement Agent 5/10/06 Date

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

Settlement StatementOptional Form for
Transactions without SellersU.S. Department of Housing
and Urban Development

OMB Approval No. 2602-0181

Name & Address of Borrower:

Roxanne Shea, Daniel V. Shea

Name & Address of Lender:

Quicken Loans Inc. (Lender)
20555 Victor Parkway
Livonia, MI 48152Michael Lyon
Vice President of
Mortgage Operations21 Ridgewood Ave
Wheeling, WV 26003

Property Location: (if different from above)

21 Ridgewood Ave
Wheeling, WV 26003

Settlement Agent:

Title Source, Inc.

Place of Settlement:

21 Ridgewood Ave, Wheeling, WV 26003

Settlement Date: 07/31/08

Disbursement Date:

08/06/08

Loan Number:

I. Settlement Charges**800. Items Payable in Connection with Loan**

801. Loan Origination Fee 1.000 % to: Quicken Loans Inc.

\$1,532.50

803. Appraisal Fee to: WILSON APPRAISAL SERVICE LLC

\$350.00

804. Credit Report to: Credit

\$48.17

807. Flood Life of Loan Coverage to: First American Flood

\$5.00

808. Flood Cert Fee to: First American Flood Data Services

\$10.50

813. MI Paid in Cash

\$0.76

808. Title Appraisal Services

\$50.00

900. Items Required by Lender to be Paid in Advance

901. Int. from 08/05/2008 to 09/01/2008

\$782.21

@ \$ 28.23 per day for 27 days

\$2,298.00

902. Mortgage Insurance Premium for 12 Months: Financed

\$2,298.00

1000. Reserves Deposited with Lender

1001. Hazard Insurance - 0 months @ \$ 501.97 per month

\$320.82

1002. Mortgage Insurance - 1 months @ \$ 563.54 per month

\$563.54

1004. County Taxes - 3 months @ \$ 559.51 per month

\$178.83

1008. Aggregate Acct. Adjustment

\$-228.51

1100. Title Charges Title Commitment# 02027010

1101. Settlement/Closing Fee to: Title Source Inc - Notary

\$75.00

1102. Abstract or Title Search to: TITLE SOURCE, INC.

\$150.00

1108. Title Insurance to: TITLE SOURCE, INC.

\$187.80

1113. Add'l Endorsement Fee to: Title Source Inc - Notary

\$30.00

1118. Tax Certification Fee to:

\$18.00

1200. Government Recording and Transfer Charges

1201b. Recording Mortgage Fee

\$24.00

1300. Additional Settlement Charges

1307. Express Mail/Courier Fee to:

\$45.00

1309. Current Taxes Due to: OHIO COUNTY

\$357.05

1400. Total Settlement Charges

(enter on line 1602)

\$6,817.36

M. Disbursements to Others

1501. OWEN LOAN SERVICING L

\$30,068.08

1502. AMERICAS SERVICING CO.

\$110,961.02

1620. TOTAL DISBURSED (enter on line 1603)

150,019.08

*Credit 808, 1201, 1113, 804, 1102, 1108, 803,
807, 1116, 1307, 888, and \$281.53 of 1101**N. NET SETTLEMENT**

1600. Loan Amount

\$155,640.00

1601. Plus Deposit Previously Received

\$300.00

Lender Credit *see above

\$1,200.00

1602. Minus Total Settlement Charges

\$6,817.36

(line 1400) FOC - Not in Total

\$0.00

1603. Minus Total Disbursements to Others

(\$150,019.08)

1604. Equals Cash to Borrower

\$210.00

(after expiration of any applicable
rescission period required by law)

Borrower(s) Signatures:

Roxanne Shea

07/31/2008

Date

Daniel V. Shea

07/31/2008

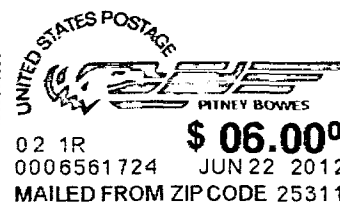
Date

Date

Date

CERTIFIED MAIL

600



30



**Service of Process
Transmittal**

06/25/2012

CT Log Number 520745120

TO: George Popofski
Quicken Loans Inc.
1050 Woodward Ave.
Detroit, MI 48226

RE: Process Served in West Virginia

FOR: Quicken Loans Inc. (Domestic State: MI)

ENCLOSED ARE COPIES OF LEGAL PROCESS RECEIVED BY THE STATUTORY AGENT OF THE ABOVE COMPANY AS FOLLOWS:

TITLE OF ACTION: Phillip Alig, et al., Pltfs. vs. Quicken Loans, Inc., et al., Dfts.

DOCUMENT(S) SERVED: Letter, Summons, First Amended Complaint, Exhibit(s)

COURT/AGENCY: Ohio County Circuit Court, WV
Case # 11C430

NATURE OF ACTION: Plaintiff's received damages and seeks compensatory and punitive damages due to defendants wrongful conduct

ON WHOM PROCESS WAS SERVED: C T Corporation System, Charleston, WV

DATE AND HOUR OF SERVICE: By Certified Mail on 06/25/2012 postmarked on 06/22/2012

JURISDICTION SERVED : West Virginia

APPEARANCE OR ANSWER DUE: Within 30 days after service of this summons, exclusive of the day of service

ATTORNEY(S) / SENDER(S): James G. Bordas Jr.
Bordas & Bordas, PLLC
1358 National Road
Wheeling, WV 26003
304-242-8410

REMARKS: Process served/received by Secretary of State of West Virginia on June 21, 2012 and mailed to C T Corporation System on June 22, 2012

ACTION ITEMS: CT has retained the current log, Retain Date: 06/25/2012, Expected Purge Date: 06/30/2012
Image SOP
Email Notification, George Popofski georgepopofski@quickenloans.com
Email Notification, Andy Lusk andrewlusk@quickenloans.com
Email Notification, Amika Thornton amikathornton@quickenloans.com

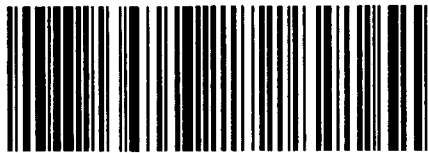
SIGNED: C T Corporation System

PER: Amy McLaren

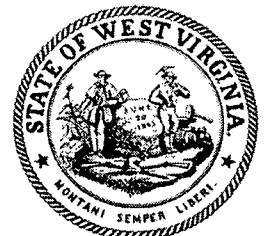
ADDRESS: 5400 D Big Tyler Road
Charleston, WV 25313

TELEPHONE: 800-592-9023

Office of the Secretary of State
 Building 1 Suite 157-K
 1900 Kanawha Blvd E
 Charleston, WV 25305



9171 9237 9000 1000 6921 32



Natalie E. Tennant

Secretary of State
 Telephone: 304-558-6000
 Toll Free: 866-SOS-VOTE
 www.wvsos.com

ControlNumber: 338589

Defendant: Quicken Loans, Inc.

County: 35

6/21/2012

Civil Action: 11-C-430

Quicken Loans, Inc.
 C. T. Corporation System
 5400 D Big Tyler Road
 Charleston WV 25313

I am enclosing:

<input type="checkbox"/> summons	<input type="checkbox"/> affidavit	<input type="checkbox"/> summons and complaint
<input type="checkbox"/> notice	<input type="checkbox"/> answer	<input type="checkbox"/> summons and verified complaint
<input type="checkbox"/> order	<input type="checkbox"/> cross-claim	<input type="checkbox"/> summons and amended complaint
<input type="checkbox"/> petition	<input type="checkbox"/> counterclaim	<input type="checkbox"/> 3rd party summons and complaint
<input type="checkbox"/> motion	<input type="checkbox"/> request	<input type="checkbox"/> notice of materialmans lien
<input type="checkbox"/> suggestions	<input type="checkbox"/> notice to redeem	<input type="checkbox"/> notice of mechanic's lien
<input type="checkbox"/> interrogatories	<input type="checkbox"/> request for production	<input type="checkbox"/> re-issue summons and complaint
<input type="checkbox"/> discovery	<input type="checkbox"/> request for admissions	<input type="checkbox"/> subpoena duces tecum
<input type="checkbox"/> suggestee execution	<input type="checkbox"/> notice of uim claim	<input checked="" type="checkbox"/> <u>1</u> Summons and 1st Amended Complaint
<input type="checkbox"/> subpoena	<input type="checkbox"/> writ	
<input type="checkbox"/> stipulation	<input type="checkbox"/> writ of mandamus	

which was served on the Secretary at the State Capitol as your statutory attorney-in-fact. According to law, I have accepted service of process in the name and on behalf of your corporation.

*Please note that this office has no connection whatsoever with the enclosed documents other than to accept service of process in your name and on behalf as your attorney-in-fact. Please address any questions about this document directly to the court or the plaintiff's attorney, shown in the enclosed paper, **not to the Secretary of State's office.***

Sincerely,

Natalie E. Tennant
 Secretary of State

SUMMONS

IN THE CIRCUIT COURT OF OHIO COUNTY, WEST VIRGINIA

CIVIL CASE NO. 11-C-430

PHILLIP ALIG AND
SARA ALIG
AND
ROXANNE SHEA AND
DAN SHEA, HUSBAND AND WIFE

VS.

QUICKEN LOANS INC
APPRAISALS UNLIMITED, INCORPORATED
DEWEY V. GUIDA
TITLE SOURCE, INC.
RICHARD W. HYETT

PLEASE SERVE:

QUICKEN LOANS INC.
C/O CT CORPORATION SYSTEM
5400 D BIG TYLER ROAD
CHARLES, WV 25313

APPRAISALS UNLIMITED INCORPORATED
C/O DEWEY V. GUIDA, PRESIDENT
3376 MAIN STREET
WEIRTON, WV 26062

DEWEY V. GUIDA
1012 BARONE DRIVE
WEIRTON, WV 26062

TITLE SOURCE, INC.
D/B/A/ TITLE SOURCE, INC. OF WEST VIRGINIA
C/O CT CORPORATION SYSTEM
5400 D BIG TYLER ROAD
CHARLES, WV 25313

RICHARD W. HYETT
RD 1 BOX 406
MOUNDSVILLE, WV 26041

TO THE ABOVE NAMED DEFENDANT(S):

IN THE NAME OF THE STATE OF WEST VIRGINIA, YOU ARE HEREBY SUMMONED AND REQUIRED TO SERVE UPON JASON E. CAUSEY, ESQUIRE WHOSE ADDRESS IS 1358 NATIONALA ROAD, WHEELING, WV 26003 AN ANSWER, INCLUDING ANY RELATED COUNTERCLAIM YOU MAY HAVE TO THE COMPLAINT FILED AGAINST YOU IN THE ABOVE STYLED CIVIL ACTION, A TRUE COPY OF WHICH IS HEREWITH DELIVERED TO YOU. YOU ARE REQUIRED TO SERVE YOUR ANSWER WITHIN 30 DAYS AFTER SERVICE OF THIS SUMMONS UPON YOU, EXCLUSIVE OF THE DAY OF SERVICE. IF YOU FAIL TO DO SO, JUDGMENT BY DEFAULT WILL BE TAKEN AGAINST YOU FOR THE RELIEF DEMANDED IN THE COMPLAINT AND YOU WILL THEREAFTER BE BARRED FROM ASSERTING IN ANOTHER ACTION ANY CLAIM YOU MAY HAVE WHICH MUST BE ASSERTED BY COUNTERCLAIM IN THE ABOVE STYLED CIVIL ACTION.

June 15, 2012



BRENDA L. MILLER
CLERK OF COURT

BY:

Benny Miller
DEPUTY CLERK

ACCEPTED FOR
SERVICE OF PROCESS
2012 JUN 21 PM 4:18
SECRETARY OF STATE
STATE OF WEST VIRGINIA

IN THE CIRCUIT COURT OF OHIO COUNTY, WEST VIRGINIA

PHILLIP ALIG, SARA J. ALIG,
ROXANNE SHEA and DANIEL V. SHEA,
Individually and on behalf of a class of persons,

Plaintiffs,

v.

Civil Action Nos. 428 & 430
Judge Gaughan

QUICKEN LOANS, INC., and
TITLE SOURCE, INC. d/b/a TITLE
SOURCE INC. OF WEST VIRGINIA,
INCORPORATED, DEWEY V. GUIDA,
APPRAISALS UNLIMITED, INC., and
RICHARD HYETT,

Defendants.

FIRST AMENDED COMPLAINT

Through their undersigned counsel, Plaintiffs bring this action on their own behalves and on behalf of a proposed class of West Virginians. Plaintiffs allege the following based on personal knowledge as to allegations regarding the Plaintiffs, and on information and belief as to other allegations.

I. INTRODUCTION

1. This action arises out of the conduct of the network of persons and entities involved in facilitating unlawful Quicken mortgage loans in West Virginia. Each Defendant's participation in the origination of Quicken mortgage loans is essential to the enterprise.

2. Defendants, and the claims alleged, include: (a) Quicken Loans, Inc., who originates the unlawful loans to West Virginia borrowers, charges borrowers a host of unlawful fees, and fails to provide borrowers with signed copies of loan documents at closing as West Virginia law requires; (b) Quicken's affiliate, Title Source, Inc., who purportedly performs loan-related services for borrowers and extracts unlawful fees from them, and whose



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participation in the transaction as an undisclosed affiliate violates state consumer-finance laws; and (c) a class of real estate appraisers—represented by Appraisals Unlimited, Inc., Dewey V. Guida, and Richard Hyett (collectively, “Defendant Appraiser Class”)—who receive appraisal assignments from Quicken that improperly include the targeted appraisal figure Quicken needs to issue the loans.

II. IDENTIFICATION OF THE PARTIES

3. Plaintiffs Phillip Alig, Sara J. Alig, Roxanne Shea, and Daniel V. Shea are now, and have been, residents of Ohio County, West Virginia at all times material and relevant herein.

4. Defendant Quicken Loans, Inc. (“Quicken Loans” or “Quicken”) is a corporation organized under the laws of the State of Michigan with its principal place of business located in Livonia, Michigan. Its agent for service of process is CT Corporation System, 707 Virginia Street E, Charleston, West Virginia 25301. Quicken Loans is part of a financial network and wholly owned by Rock Holdings, which is the same parent company that wholly owns Defendant Title Source, Inc. At all relevant times, Quicken Loans was actively engaged in the business of soliciting, writing and administering prime and sub-prime loans to West Virginia residents.

5. Defendant Title Source, Inc., d/b/a Title Source Inc. of West Virginia (“TSI”), is a corporation organized under the laws of the State of Michigan with its principal place of business located in Troy, Michigan. Its agent for service of process is Jeffrey Eisenshtadt, 1450 West Long Lake Road, Suite 400, Troy, Michigan 48098. TSI is a sister corporation of Quicken Loans, has a close relationship with Quicken Loans, shares office space with Quicken Loans, and acts as its appraisal management company.



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6. Defendant Appraisals Unlimited, Incorporated is a corporation organized under the laws of the State of West Virginia with its principal place of business located in Weirton, West Virginia. Process is to be served on its president, Dewey V. Guida at 3376 Main Street, Weirton, West Virginia 26062. At all relevant times, it was actively engaged in the business of appraising real property in the State of West Virginia.

7. Defendant Dewey V. Guida ("Guida") is an individual residing at 1012 Barone Drive, Weirton, West Virginia. At all relevant times, Guida was engaged in the business of appraising real property in the State of West Virginia.

8. Guida is a long term appraiser for Quicken and TSI performing more than one hundred appraisals of West Virginia properties for them and receiving their highest ranking for appraisers. Appraisals Unlimited and Guida have repeatedly provided Quicken with inflated appraisals and were primary defendants in the predatory lending matters styled, *Brown v. Quicken Loans Inc., et al.*, Ohio County Civil Action No. 08-C-36; *O'Brien v. Quicken Loans Inc., et al.*, Ohio County Civil Action No. 09-C-376; *Blankenship v. Quicken Loans Inc., et al.*, Ohio County Civil Action No. 10-C-80; and *Duncan v. Quicken Loans Inc., et al.*, Ohio County Civil Action No. 10-C-70.1, from whom significant relief was sought and obtained by way of settlements found to be in good faith by the respective trial courts.

9. Defendant Richard W. Hyett ("Hyett") is an individual residing at RD 1 Box 406, Moundsville, West Virginia. At all relevant times, Hyett was engaged in the business of appraising real property in the State of West Virginia.

10. Each of the above-named Defendants is liable for the unlawful acts of the others under the doctrines of agency, joint venture, and/or civil conspiracy.

¹ Appraisals Unlimited and Guida are also primary defendants in the pending action styled, *Cline v. Quicken Loans Inc., et al.*, Marshall County Civil Action No. 11-C-38, from whom significant relief is sought.



III. FACTUAL ALLEGATIONS

A. Quicken's Standard Practices

Quicken's Standard Practice Was To Communicate Target Appraisal Values To Its Appraisers In Order To Originate Loans

11. The U.S. Department of the Treasury has defined predatory lending as “engaging in deception or fraud, manipulating the borrower through aggressive sales tactics, or taking unfair advantage of a borrower’s lack of understanding about loan terms...that, alone or in combination, are abusive or make the borrower more vulnerable to abusive practice.”

12. As part of its predatory lending practices, Quicken has systematically sought to influence appraisers to provide appraisal values high enough to support issuance of loans.

13. One of the ways Quicken Loans has sought to influence appraisers is to provide the appraisers with suggested or estimated values on appraisal request forms before the appraisers provide their appraisal reports.

14. The practice of influencing appraisers has long been condemned by regulators, government agencies, the Appraisal Foundation, and others.

15. In *Brown v. Quicken Loans, Inc., et al.*, Civil Action No. 08-C-36 (Cir. Ct. of Ohio County) (Recht, J.), the Court determined that such a practice is contrary to the common law and consumer protection statutes of West Virginia, and concluded that “[n]o legitimate purpose is served by providing an appraiser with an estimated value of a property. The only purpose could be to inflate the true value of the property.”

16. To obtain a Quicken mortgage loan, a borrower is required to pay the cost of the appraisal. Quicken charged borrowers, including the Plaintiffs, for the appraisal cost, but did not inform them of its efforts to influence the appraisal by passing on target appraisal values to purportedly independent appraisers.



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17. Quicken Loan's actions in compromising the integrity of the appraisal process rendered its appraisals unreliable and worthless.

***Quicken's Standard Practice Was
To Assess Unlawful And Excessive Fees***

18. After Quicken Loans obtained an appraisal value sufficient to sustain the loan, Quicken employed standard practices to charge borrowers, including the Plaintiffs, excessive and unlawful fees.

19. For instance, Quicken would charge borrowers false, excessive, and unlawful fees for, *inter alia*, notarial services, document preparation, courier services, and bogus "loan discount" charges.

20. These fees violate applicable law, and have enriched Quicken at the expense of its borrowers.

***Quicken's Standard Practice Was To Provide
Borrowers With Unsigned Copies Of Loan Documents***

21. The loans at issue in this case are primary mortgage loans, *see* W. Va. Code § 31-17-1(m), and therefore are subject to the requirements of the Residential Mortgage Lending Act.

22. At closing, Quicken provided West Virginia borrowers with a thick packet of unsigned loan documents. The packet included documents such as an amortization schedule, appraisal, payoff statement, invoices for closing-related services, insurance information, escrow disclosures, loan disbursement statement, note, deed of trust, and other critical loan documents.

23. The Residential Mortgage Lending Act provides that "[a] borrower must be given a copy of every signed document executed by the borrower at the time of closing." W. Va. Code § 31-17-8(j)(6).



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24. Despite this requirement, West Virginia borrowers, including the Plaintiffs, did not receive a copy of every signed document they executed at the time of closing.

***Quicken's Standard Practice Was To Charge Fees
Prohibited By The Residential Mortgage Lending Act***

25. The Residential Mortgage Lending Act provides that "[e]xcept for fees for services provided by unrelated third parties for appraisals, inspections, title searches and credit reports, no application fee may be allowed" except in certain limited circumstances inapplicable in mortgage refinancing cases. *See* W. Va. Code § 31-17-8(g).

26. Notwithstanding this limitation, Defendant Quicken charged West Virginia borrowers, including the Plaintiffs, a fee payable to Title Source, Inc.

27. At the time each loan was closed, Title Source, Inc. was not an unrelated third party, but instead was an affiliate of Defendant Quicken.

28. The fees designated for Title Source, Inc. cannot be charged under the Residential Mortgage Lender Act.

B. The Named Plaintiffs' Allegations

The Alig 2007 loan

29. In late 2007, Quicken Loans solicited the Aligs to refinance their existing mortgage loan.

30. Quicken Loans arranged for Defendants Guida and Appraisals Unlimited to appraise the Aligs' home.

31. Upon information and belief, Quicken followed its standard unlawful practice of sending Defendants Guida and Appraisals Unlimited an appraisal request form that included a target appraisal value in the form of an "estimated value."



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32. Defendants Guida and Appraisals Unlimited issued an appraisal report stating that, as of December 17, 2007, the market value of the Aligs' home was \$125,500.

33. In fact, the market value of the home as of that date was \$99,500, a fact the Aligs did not discover until 2011.

34. Through its appraisal, Quicken Loans materially misrepresented the market value of the Aligs' property.

35. The Aligs justifiably relied on this misrepresentation, to their detriment.

36. In reliance on the appraisal, on or about December 27, 2007, the Aligs executed a promissory note in the principal sum of \$112,500.00; the note was secured by a deed of trust on the Aligs' property in favor of Quicken Loans (the "Alig 2007 loan").

37. Quicken charged the Aligs \$7,043.00 for origination and closing costs. These points, fees and costs were excessive, at least in part, because they were not *bona fide*, actually incurred by Quicken, reasonable, authorized by contract, or authorized by West Virginia law. The Settlement Statement for this loan is attached as **Exhibit A**.

38. The unlawful fees include:

- a. Excessive fees for notary services;
- b. \$260.00 for the bogus Guida/Appraisals Unlimited appraisal;
- c. \$45.00 for an "Express Mail/Courier Fee" that does not truly reflect the cost of any express mail or courier service provided with respect to the Alig 2007 loan; and
- d. A "loan discount fee" of 3.5% of the loan amount, or \$3,953.25.

39. The loan discount fee purportedly was a charge for the Aligs to "buy down" their interest rate.

40. In fact, the loan discount fee did not reduce the Aligs' interest rate at all.



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41. Instead, the loan discount fee was simply part of a compensation package Quicken provided to its agents or “mortgage bankers.” The package gave Quicken’s mortgage bankers the discretion to charge a rate/point/fee structure that exceeds the structure for which its customers qualified. Quicken refers to the revenue generated by the loan discount fee as a “premium,” and splits the proceeds between itself and its loan agents.

42. Quicken Loans’ misrepresentation of the loan discount fee is materially false, deceptive, and unfair.

43. The Aligs did not discover the true nature of these excessive charges until 2011.

44. The Aligs did not receive signed copies of all loan documents from Quicken at the closing of the 2007 loan.

The Alig 2011 loan

45. In late 2010, Quicken Loans solicited the Aligs to refinance their mortgage loan a second time.

46. Appraiser Lucas R. Johnson issued an appraisal report stating that as of November 22, 2010, the market value of the Aligs’ property was \$115,000.

47. That value was false. At the time, the market value of the Aligs’ property was approximately \$99,500.00.

48. Through its appraisal, Quicken Loans materially misrepresented the market value of the Aligs’ property.

49. The Aligs justifiably relied on this misrepresentation, to their detriment.

50. In reliance on the appraisal, on or about January 18, 2011 the Aligs executed a promissory note in the principal sum of \$113,524.00; the note was secured by a deed of trust on the Aligs’ property in favor of Quicken (the “Alig 2011 Loan”).



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51. Quicken charged the Aligs \$5,054 for origination and closing costs. These charges were excessive, at least in part, because they were not *bona fide*, actually incurred by Quicken, reasonable, authorized by its contracts with the Aligs, or authorized by West Virginia law. The Settlement Statement for this loan is attached as **Exhibit B**.

52. The Aligs were charged a standard fee of \$45.00 for an "Express Mail/Courier Fee" that does not truly reflect the cost of any express mail or courier service provided with respect to the Alig 2011 Loan.

53. The Aligs were not provided with signed loan documents.

The Shea 2006 loans

54. In early 2006, Quicken Loans solicited the Sheas for a pre-approved home purchase loan.

55. Quicken Loans arranged for Defendants Guida and Appraisals Unlimited to perform an appraisal report. The report stated the market value of the home the Sheas intended to purchase was \$151,000 as of April 27, 2006.

56. This appraisal was false. In fact, the market value of the home was \$115,500, a fact the Sheas did not discover until 2011.

57. Through the appraisal, Quicken Loans materially misrepresented the market value of the home.

58. The Sheas justifiably relied on this misrepresentation, to their detriment.

59. In reliance on the appraisal, on or about May 10, 2006 the Sheas executed two promissory notes in the principal sums of \$119,475.00 and \$29,875.00. The notes were secured by deeds of trust on the Sheas' property in favor of Quicken (the "Shea 2006 Loans").



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60. Quicken charged the Sheas \$5,854 for origination and closing costs. These points, fees and costs were excessive, at least in part, because they were not *bona fide*, actually incurred by Quicken, reasonable, authorized by its contracts with the Aligs, or authorized by West Virginia law. The Settlement Statement for this loan is attached as **Exhibit C**.

61. The excessive and unlawful fees include \$260 for the bogus appraisal, and a "loan discount fee" of \$2,986.88, or 2.5% of the loan amount.

62. The loan discount fee, and all loan discount fees referenced in this complaint, was deceptive, unlawful, unfair and improper for the same reasons stated above with respect to the Alig loans.

63. The Sheas did not discover the true nature of the excessive charges, or of the bogus Guida/Appraisals Unlimited appraisal, until 2011.

64. Quicken did not provide the Sheas with copies of signed loan documents.

The Shea 2008 loan

65. In mid-2008, Quicken Loans solicited the Sheas to refinance their 2006 mortgage loans.

66. Quicken Loans arranged for Defendant Hyett to appraise the Shea home. Upon information and belief, Quicken followed its standard practice of sending Defendant Hyett an appraisal request form that included a target appraisal value in the form of an "estimated value."

67. Defendant Hyett issued an appraisal report stating that, as of July 2, 2008, the market value of the Sheas' home was \$158,000.

68. In fact, the market value of the home as of that date was \$135,000, a fact the Sheas did not discover until 2011.



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69. Through the appraisal, Quicken Loans materially misrepresented the market value of the home.

70. The Sheas justifiably relied on this misrepresentation, to their detriment.

71. In reliance on the appraisal, the Sheas executed a promissory note in the principal sum of \$155,548. The note was secured by a deed of trust on the Sheas' property in favor of Quicken (the "Shea 2008 Loan").

72. Quicken charged the Sheas \$6,817 in origination and closing costs. These charges were excessive, at least in part, because they were not *bona fide*, actually incurred by Quicken, reasonable, authorized by its contracts with the Sheas, or authorized by West Virginia law. The Settlement Statement for this loan is attached as **Exhibit D**.

73. The unlawful fees include excessive fees for notary services; \$430.00 for the bogus appraisal; and \$45.00 for an "Express Mail/Courier Fee" that does not truly reflect the cost of any express mail or courier service provided with respect to the loan.

74. The Sheas did not discover the true nature of these excessive charges until 2011.

75. The Sheas were not provided with signed loan documents.

C. Class Allegations

76. Plaintiffs bring this action on their own behalf, and on behalf of all other similarly situated individuals, under Rule 23(b)(3) of the West Virginia Rules of Civil Procedure.

77. The proposed Plaintiff class is tentatively defined as:

All West Virginia citizens at the time of the filing of this action who, within the applicable statute of limitations preceding the filing of this action through the date of class certification, obtained mortgage loans from Defendant Quicken, and (a) were provided unsigned loan documents at closing, (b) were assessed loan discount, courier, or notary



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fees, or (d) for whom Quicken obtained appraisals through an appraisal request form that included an estimate of value of the subject property.

78. Rule 23(a) provides that “[o]ne or more members of a class may sue *or be sued* as representative parties” if the requirements of the Rule are met. W. Va. R. Civ. P. 23(a) (emphasis added).

79. Under this Rule, Plaintiffs bring this action against a class of Defendant Appraisers. The named representative appraisers are Defendants Guida and Hyett.

80. The proposed class of Defendant Appraisers consists of:

All real estate appraisers who are citizens of the State of West Virginia at the time of the filing of this action and who performed appraisals in connection with home-secured loans on West Virginia on behalf of Quicken after receiving an appraisal request form with an estimate of value on it.

81. The requirements of Rule 23 are satisfied.

82. The classes are so numerous that joinder of all members is impracticable.

83. There are questions of law and fact common to all members of the class.

84. The named Plaintiffs’ claims are typical of those of the class as a whole.

85. The Plaintiffs have displayed an interest in vindicating the rights of the class members, will fairly and adequately protect and represent the interest of the class, and are represented by skillful and knowledgeable counsel. The relief sought by the named Plaintiffs will inure to the benefit of the class generally.

86. The common questions of law and fact predominate over individual questions, and the class action device is superior to other available methods for the fair and efficient adjudication of the controversy.



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IV. LEGAL CLAIMS

A. Claims on Behalf of Plaintiffs and the Proposed Class

Count One—Civil Conspiracy (Against all Defendants)

87. Plaintiffs incorporate the preceding paragraphs by reference.

88. By their conduct alleged above, all Defendants and the Defendant Appraiser Class engaged in concerted action to accomplish an unlawful purpose or to accomplish some purpose, not in itself unlawful, by unlawful means.

89. As alleged above, this conduct caused injury to the Plaintiffs.

90. By their conduct alleged above, these Defendants have engaged in an unlawful civil conspiracy.

91. These Defendants combined their money, time, and experience to close the subject loans. Each act undertaken above was in furtherance of and within the scope of this joint effort. Each Defendant benefited from the joint acts.

Count Two—UDAP (Against all Defendants)

92. Plaintiffs incorporate herein each allegation in this Complaint.

93. By their conduct, each Defendant and the Defendant Appraiser Class engaged in unfair or deceptive acts or practices in violation of W. Va. Code § 46A-6-104.

94. This conduct includes, but is not limited to:

- a. Depriving Plaintiffs of the benefit of their bargain—specifically, of a fair and unbiased appraisal—by providing value estimates to appraisers and the acceptance of appraisal orders which contained value estimates.
- b. Omitting and concealing from Plaintiffs the material fact that value estimates were being provided to the appraisers.



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- c. Defendant Quicken Loans charged numerous unlawful fees as alleged herein. Each unlawful fee constitutes a violation of W. Va. Code § 46A-6-104.
- d. Defendant Quicken Loans misrepresented the nature of the “loan discount fee.” This fee provides no discount to borrowers, but is in fact a duplicative broker/lender fee, and is not authorized under West Virginia law.

**Count Three—Residential Mortgage Lending Act
(Against Quicken)**

95. Plaintiffs incorporate herein each allegation in this Complaint.

96. The “Express Mail/Courier Fees,” “Loan Discount Fees,” and notary fees are not authorized by W. Va. Code § 31-17-8 (c), (g), and (m)(1).

97. The “Loan Discount Fee” is in fact a duplicative broker and lender fee, and is misleadingly characterized as a loan discount fee.

98. The “Express Mail/Courier Fees” are excessive, and exceed or misrepresent the fees actually charged by third-party courier services.

99. The notary fees are excessive, and exceed or misrepresent the fees actually charged by the third-party notaries performing notary services.

**Count Four—Unconscionable Contract
(Against Quicken)**

100. Plaintiffs incorporate herein each allegation in this Complaint.

101. Plaintiffs incorporate the preceding paragraphs by reference.

102. As a result of Defendant Quicken’s conduct as alleged above—including, but not limited to, its passing on target appraisal values to appraisers, charging of illegal fees, and providing unsigned loan documents to borrowers—all or part of the subject loans were unconscionable at the time they were made, or were induced by unconscionable conduct. *See* W. Va. Code § 46A-2-121(1).



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Wheeling, WV 26003
t 304-242-8410
f 304-242-3936

246 West Main Street
St. Clairsville, OH 43950
t 740-695-8141
f 740-695-6999

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Count Five—Real Estate Appraiser Licensing & Certification Act
(Against Defendant Appraiser Class)

103. Plaintiffs incorporate herein each allegation in this Complaint.

104. Plaintiffs bring this Count on their own behalf, and on behalf of the proposed Plaintiff Class, against the Defendant Appraisers and the proposed Defendant-Appraiser Class.

105. The Defendant Appraisers and the Defendant-Appraiser Class accepted assignments listing target value numbers on appraisal request forms, and accepted fees contingent upon the reporting of a predetermined value, all in violation of W. Va. Code §§ 30-38-12(3) and 30-38-17.

106. As a result of these violations, Plaintiffs suffered damages, including the costs of their appraisals.

Count Six—Unauthorized Charges
(Against Quicken)

107. Plaintiffs incorporate herein each allegation in this Complaint.

108. Plaintiffs bring this Count on their own behalf, and on behalf of the proposed Plaintiff Class, against Defendant Quicken Loans.

109. Defendant Quicken Loans charged Plaintiffs and Plaintiff Class members numerous unlawful fees.

110. Defendant Quicken Loans charged “Express Mail/Courier Fees” in the amount of \$45, and “Loan Discount Fees” in the amount of a percentage of the loan amount, and often amounted to several thousand dollars. Such fees are not authorized charges under W. Va. Code § 46A-3-109(a) because they are not authorized closing costs or official fees as defined in W. Va. Code §§ 46A-1-102(7) and (28).



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111. The "Loan Discount Fee," contrary to its name, provides no "discount" to the borrower. To the contrary, it is in fact a second (and impermissible) broker/origination fee.

112. Defendant also charged Plaintiffs and Plaintiff Class members unlawful notary fees. Notary fees, such as those charged by Defendants, are not allowable closing costs under W. Va. Code § 46A-1-102(7)(d) because under W. Va. Code § 29C-4-301, the maximum notary fee that may be charged is \$2.00.

113. These illegal fees violate W. Va. Code § 46A-2-128(d), which prohibits the collection of fees or charges incidental to the principal obligation if not allowable by law.

Count Seven—Breach of Contract
(Against Quicken)

114. Plaintiffs incorporate herein each allegation in this Complaint.

115. Plaintiffs bring this Count on their own behalf, and on behalf of the proposed Plaintiff Class, against Defendant Quicken Loans.

116. Quicken Loans has a duty of good faith and fair dealing implied in every contract that neither party shall do anything which will have the effect of destroying or injuring the right of the other party to receive the benefit of their contract.

117. Prior to the consummation of loans, including the above describe loans, Quicken Loans requires potential borrowers, including the Plaintiffs and Plaintiff Class members, to submit a deposit to be used to pay for appraisals and borrowers, including the Plaintiffs, are required to sign a contract typically titled Interest Rate Disclosure and Deposit Agreement pertaining to each party's rights and responsibilities with respect to payment for appraisals. Plaintiffs along with Quicken Loans executed such a contract.

118. Quicken breached its contracts by:



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- a. Depriving Plaintiffs of the benefit of their bargain – specifically, of a fair and unbiased appraisal – by providing value estimates to appraisers; and
- b. Omitted or concealing from Plaintiffs the material fact that value estimates were being provided to the appraisers.

119. Quicken's conduct constitutes a breach of the duty of good faith and fair dealing.

120. As a direct and proximate result of these breaches, Plaintiffs suffered damages, including the cost of the compromised, false and unreliable appraisals.

**Count Eight—Negligence and Negligence Per Se
(Against all Defendants)**

121. Plaintiffs incorporate herein each allegation in this Complaint.

122. The Defendants, Appraisals Unlimited, Guida, and Hyett in making the false appraisals as hereinabove alleged, breached the standards for professional practice in violation of W. Va. Code § 30-38-17.

123. In addition, Defendants, Appraisals Unlimited, Guida, and Hyett breached the duty of care that is required in the appraisal industry, by negligently issuing erroneous appraisal reports upon which the parties relied.

124. As a direct and proximate result of the above-described conduct, the Plaintiffs are entitled to actual damages, as hereinabove described, and a civil penalty pursuant to W. Va. Code § 30-38-15(c).

B. Claims by the Named Plaintiffs Only

**Count Nine—Fraud/Intentional Misrepresentation
(Against all Defendants)**

125. Plaintiffs incorporate herein each allegation in this Complaint.



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126. Quicken Loans by way of its acts, omissions and concealments, intentionally made representations to the Plaintiffs that were false and/or made representations with a reckless disregard as to their veracity.

127. Quicken Loans intended to induce the Plaintiffs to act based on its misrepresentations.

128. Quicken Loans misrepresentations as to the value of Plaintiffs' properties played a substantial part in inducing the Plaintiffs to enter into the above described loan agreements.

129. Such reliance on Quicken Loans misrepresentations by the Plaintiffs was justified.

130. The Plaintiffs further reasonably relied upon the procedures of origination being proper and consistent with prudent industry practices when entering into this loan agreement.

131. As a direct and proximate result of Quicken Loans misrepresentations, as hereinabove alleged, the Plaintiffs suffered actual damages as hereinabove described.

132. The conduct of Quicken Loans and TSI, as hereinabove alleged, was done willfully, wantonly, recklessly and/or with complete indifference to their obligations under West Virginia law. Furthermore, the Defendants Quicken Loans and TSI regularly engage in this type of conduct.

133. The Plaintiffs, in addition to compensatory damages, should be awarded punitive damages in an amount that will punish Quicken Loans and its agent and joint venture partner TSI for their wrongful conduct and will deter them and other similarly situated institutions from engaging in similar conduct in the future.

134. Plaintiffs are further entitled to appropriate equitable relief and the reasonable attorney fees and costs incurred in this action.



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**Count Ten—Illegal Loans in Excess of Fair Market Value
(Against all Defendants)**

135. Plaintiffs incorporate herein each allegation in this Complaint.

136. Defendants Quicken Loans and TSI induced the Plaintiffs into loan transactions that exceeded the fair market value of the Plaintiffs' property in violation of W. Va. Code § 31-17-8(m)(8).

137. Defendants cannot meet their burden of establishing the elements of the affirmative defense set forth in W. Va. Code § 31-17-8(m)(8), as the appraisals at issue do not reflect independent valuations, were not bona fide and do not conform to the Uniform Standards of Professional Appraisal Practice ("USPAP").

138. As a direct and proximate result of these willful violations, the Plaintiffs are entitled to the following statutory relief: actual damages, to have the loan declared void and to attorneys' fees and costs under W. Va. Code § 31-17-17.

139. The conduct of the Defendants Quicken Loans and TSI, as hereinabove alleged, was done willfully, wantonly, recklessly and/or with complete indifference to their obligations under West Virginia law. Furthermore, the Defendants Quicken Loans, and TSI regularly engage in this type of conduct.

140. The Plaintiffs, in addition to compensatory damages, should be awarded punitive damages in an amount that will punish these Defendants for their wrongful conduct and will deter them and other similarly situated institutions from engaging in similar conduct in the future.

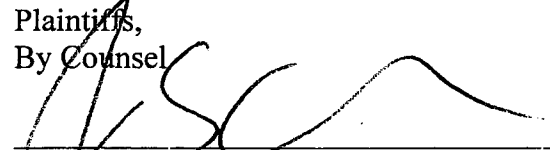
V. RELIEF SOUGHT

On their own behalves, and on behalf of the proposed Plaintiff Class, Plaintiffs seek the following relief:

- a. Certification of the proposed classes;
- b. Judgment on all counts, together with an award of all available relief;
- c. A declaration that Defendants' acts were unlawful;
- d. Injunctive relief ordering the Defendants to cease engaging in the conduct described herein;
- e. For each act or practice found to constitute an unfair or deceptive act or practice, a penalty of the greater of \$200 or actual damages under W. Va. Code § 46A-6-106;
- f. For each violation of Chapter 46A, including but not limited to each assessment of an illegal fee, a civil penalty up to the maximum as provided for under W. Va. Code § 46A-5-101 & 106;
- g. The voiding or modification of the mortgage loans, or a declaration to this effect, for all class members under W. Va. Code §§ 31-17-17 & 46A-2-121;
- h. Disgorgement and restitution of all illegal loan fees;
- i. Actual, compensatory, and punitive damages;
- j. Attorneys' fees and costs;
- k. Pre- and post-judgment interest; and
- l. All other appropriate relief.

JURY TRIAL DEMANDED

Plaintiffs,
By Counsel


JAMES G. BORDAS JR. #409
JASON E. CAUSEY #9482
BORDAS & BORDAS, PLLC
1358 National Road
Wheeling, WV 26003
(304) 242-8410

and



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JOHN W. BARRETT #7289
JONATHAN MARSHALL #10580
BAILEY & GLASSER, LLP
209 Capitol Street
Charleston, WV 25301
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A. Settlement Statement (HUD-1)

OMB Approval No. 2502-0265

1. <input checked="" type="checkbox"/> FHA 2. <input type="checkbox"/> RHS 3. <input type="checkbox"/> Conv. Unins.			6. File Number:	7. Loan Number:	8. Mortgage Insurance Case Number:
4. <input type="checkbox"/> VA 5. <input type="checkbox"/> Conv. Ins.					571-1067590
C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.					
D. Name & Address of Borrower: Phillip A. Aliq Sara J. Aliq 1971 Highland Ln Wheeling, WV 26003-5418		E. Name & Address of Seller: 1050 Woodward Ave Detroit, MI 48226-1906		F. Name & Address of Lender: Quicken Loans Inc.	
G. Property Location: 1971 Highland Ln Wheeling, WV 26003-5418		H. Settlement Agent: Title Source, Inc. (304)242-4263 Place of Settlement: 1971 Highland Ln, Wheeling, WV 26003-5418		I. Settlement Date: January 18, 2011 Disbursement Date: 01/24/11	

Summary of Borrower's Transaction		Summary of Seller's Transaction	
100. Gross Amount Due from Borrower		400. Gross Amount Due to Seller	
101. Contract sales price		401. Contract sales price	
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	\$5,054.41	403.	
104. BAC HOME LOANS SERVICE	\$109,890.65	404.	
105.		405.	
Adjustment for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes to		406. City/town taxes to	
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. Gross Amount Due from Borrower	\$114,945.06	420. Gross Amount Due to Seller	
200. Amounts Paid by or in Behalf of Borrower		500. Reductions in Amount Due to Seller	
201. Deposit or earnest money		501. Excess deposit (see Instructions)	
202. Principal amount of new loan(s)	\$113,524.00	502. Settlement charges to seller (line 1400)	
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204. Good Faith Deposit to Quicken Loans Inc.	\$750.00	504. Payoff of first mortgage loan	
205. Lender Credit	\$709.50	505. Payoff of second mortgage loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid by/for Borrower	\$114,983.50	520. Total Reduction Amount Due Seller	
300. Cash at Settlement from/to Borrower		600. Cash at Settlement to/from Seller	
301. Gross amount due from borrower (line 120)	\$114,945.06	601. Gross amount due to seller (line 420)	
302. Less amounts paid by/for borrower (line 220)	\$114,983.50	602. Less reductions in amount due seller (line 520)	
303. Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$38.44	603. Cash <input type="checkbox"/> To <input type="checkbox"/> From Seller	

The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.

Settlement Statement
Western Kiawah Financial Services

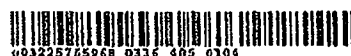
VMP 00

Previous editions are obsolete

Page 1 of 4

HUD-1 11/17/09
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Exhibit B

Settlement Charges				Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Real Estate Broker Fees					
Division of commission (line 700) as follows:					
701. \$	to				
702. \$	to				
703. Commission paid at settlement					
704.					
800. Items Payable in Connection with Loan					
801. Our origination charge \$ 1,124.00 (from GFE #1)					
802. Your credit or charge (points) for the specific interest rate chosen \$ (from GFE #2)					
803. Your adjusted origination charges (from GFE A)				\$1,124.00	
804. Appraisal fee to TSI Appraisal Services (from GFE #3)				\$575.00	
805. Credit report to Credco (from GFE #3)				\$17.05	
806. Tax service to (from GFE #3)					
807. Flood certification CoreLogic Flood Services (from GFE #3)				\$5.00	
808. Flood Determination Fee CoreLogic Flood Services				\$10.50	
812. Tax Certification Fee Title Source, Inc.				\$18.00	
900. Items Required by Lender to Be Paid in Advance					
901. Daily interest charges from 01/24/11 to 02/01/11 @ \$ 14.00 /day (from GFE #10)				\$112.00	
902. Mortgage insurance premium for 12 months to Federal Housing Administration (from GFE #3) Financed				\$1,124.00	
903. Homeowner's insurance for years to (from GFE #11)					
904. Homeowner's insurance premium previously paid: \$455.49					
905.					
1000. Reserves Deposited with Lender					
1001. Initial deposit for your escrow account (from GFE #9)				\$881.74	
1002. Homeowner's insurance 11 months @ \$ 37.96 per month \$ 417.56					
1003. Mortgage insurance 1 months @ \$ 83.68 per month \$ 83.68					
1004. Property taxes OHIO COUNTY 9 months @ \$ 72.26 per month \$ 650.34					
1005. months @ \$ per month \$					
1006. months @ \$ per month \$					
1007. months @ \$ per month \$					
1008. months @ \$ per month \$					
1009. months @ \$ per month \$					
1010. Aggregate Adjustment \$ -269.04					
1100. Title Charges					
1101. Title services and lender's title insurance (from GFE #4)				\$1,165.12	
1102. Settlement or closing fee Title Source, Inc. \$ 575.00					
1103. Owner's title insurance (from GFE #6)					
1104. Lender's title insurance \$ 195.12					
1105. Lender's title policy limit \$ 113,524.00					
1106. Owner's title policy limit \$					
1107. Agent's portion of the total title insurance premium \$ 335.86					
1108. Underwriter's portion of the total title insurance premium \$ 59.26					
1109. Abstract or Title Search TITLE SOURCE, INC. \$150.00					
1130. ALTA 8.1 Environmental Protection Lien TITLE SOURCE, INC. \$100.00					
1131. ALTA 9 Restrictions, Encroachments, Minerals TITLE SOURCE, INC. \$100.00					
1137. Express Mail/Courier Fee \$45.00					
1200. Government Recording and Transfer Charges					
1201. Government recording charges (from GFE #7)				\$22.00	
1202. Deed \$ Mortgage \$ 22.00 Releases \$					
1203. Transfer taxes (from GFE #8)					
1204. City/County tax/stamps Deed \$ Mortgage \$					
1205. State tax/stamps Deed \$ Mortgage \$					
1300. Additional Settlement Charges					
1301. Required services that you can shop for (from GFE #10)					
\$					
\$					
\$					
\$					
\$					
\$					
1400. Total Settlement Charges				\$5,054.41	



403225755960 0336 465 0204

A. HUD-1 UNIFORM SETTLEMENT STATEMENT

B. Type of Loan

1. ☐ FHA 2. ☐ FmHA 3. ☒ Conv. Unins.
4. ☐ VA 5. ☐ Conv. Ins.

6. File Number:

7. Loan Number:

8. Mortgage Insurance Case Number:

C. NOTE: This form furnishes a statement of settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown for informational purposes and are not included in the totals.

D. Name & Address of Borrower:

Roxanne Shea
21 Ridgewood Avenue
Wheeling, WV 26003

E. Name, Address & TIN of Seller:

Mary Jane Pauley
21 Ridgewood Avenue
Wheeling, WV 26003

F. Name & Address of Lender:

Quicken Loans Inc.
20555 Victor Parkway
Livonia, MI 48152G. Property Location:
21 Ridgewood Avenue
Wheeling, WV 26003H. Settlement Agent:
Place of Settlement
78 1/4 Fourteenth Street
Wheeling, WV 26003

I. Settlement Date: May 10, 2006

J. Summary of Borrower's Transaction

100. Gross Amount Due from Borrower:

101. Contract sales price 149,350.00

102. Personal Property

103. Borrower's settlement charges (line 1400) 5,854.00

104.

105.

Adjustments for items paid by seller in advance

106. City/town taxes to 0.00

107. County taxes to 0.00

108. Assessments 5/10/06 to 6/30/06 10.68

109. to 0.00

110.

111.

112.

113.

120. Gross Amount Due from Borrower 155,214.68

200. Amounts Paid by or in Behalf of Borrower:

201. Deposits or earnest money

202. Principal amount of new loan(s) 119,476.00

203. Existing loan(s) taken subject to

204.

205. Credit for application deposit 350.00

206. Seller closing cost credit 4,350.00

207.

208. Proceeds from second loan 20,354.02

209.

Adjustments for items unpaid by seller

210. City/town taxes to 0.00

211. County taxes 1/1/06 to 5/10/06 219.65

212. Assessments to 0.00

213. to 0.00

214.

215.

216.

217.

218.

219.

220. Total Paid By/for Borrower 152,749.37

300. Cash at Settlement From/to Borrower

301. Gross amount due from borrower (line 120) 155,214.68

302. Less amounts paid by/for borrower (line 220) 152,749.37

303. Cash ☒ from ☐ to Borrower 2,465.31

K. Summary of Seller's Transaction

400. Gross Amount Due to Seller:

401. Contract sales price 149,350.00

402. Personal Property

403.

404.

405.

Adjustments for items paid by seller in advance

406. City/town taxes to 0.00

407. County taxes to 0.00

408. Assessments 5/10/06 to 6/30/06 10.68

409. to 0.00

410.

411.

412.

413.

420. Gross Amount Due to Seller 149,360.80

600. Reductions in Amount Due to Seller:

601. Excess deposit (see instructions)

602. Settlement charges to seller (line 1400) 663.80

603. Existing loan(s) taken subject to

604. Payoff of first mortgage to The Citizens Bank 34,235.55

605. Payoff of second mortgage

606. Seller closing cost credit 4,350.00

607.

608.

609.

Adjustments for items unpaid by seller

610. City/town taxes to 0.00

611. County taxes 1/1/06 to 5/10/06 219.65

612. Assessments to 0.00

613. to 0.00

614.

615.

616.

617.

618.

619.

620. Total Reduction Amount Due Seller 30,466.90

800. Cash at Settlement To/from Seller

801. Gross amount due to seller (line 420) 149,360.80

802. Less reductions in amount due seller (line 620) 30,466.90

803. Cash ☒ to ☐ from Seller 109,893.78

Substitute Form 1099 Seller Statement

The information in Blocks E, G, H, I & line 401 (or, if line 401 is asterisked, line 403 and 404) is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported. If this real estate is your principal residence, file Form 2119, *Sale or Exchange of Principal Residence*, for any gain, with your income tax return; for other transactions, complete the applicable parts of Form 1797, Form 6252 and/or Schedule D (Form 1040). You are required to provide the Settlement Agent (named above) with your correct taxpayer identification number. If you do not provide the Settlement Agent with your taxpayer identification number, you may be subject to civil or criminal penalties imposed by law. Under penalties of perjury, I certify that the number shown on this statement is my correct taxpayer identification number.

(Seller)



(Seller)

700. Total Sales/Broker's Commission: (based on price)	149,350.00 @	%	Paid from Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of Commission (line 700) as follows:				
701.				
702.				
703. Commission paid at Settlement				0.00
704.				
800. Items Payable in Connection with Loan				
801. Loan Origination Fee				
802. Loan Discount Fee 2.50000%			2,006.88	
803. Appraisal Fee to Appraisals Unlimited			180.00	
804. Credit Report to KFD (Kroll Factual Data)			7.19	
805. Lender's Inspection Fee				
806. Mortgage Insurance Application Fee				
807. Flood life of loan coverage to First American Flood Data Services			5.00	
808. Flood cert fee to First American Flood Data Services			10.50	
809. Underwriting Fee to Quicken Loans			285.00	
810. Processing Fee to Quicken Loans			675.00	
811. TSI Appraisal Services			80.00	
812.				
813.				
814.				
900. Items Required by Lender to Be Paid in Advance				
901. Interest from May 10, 2006 to Jun 1, 2006 @ 21.9900 per day			403.78	
902. Mortgage Insurance Premium for				
903. Hazard Insurance Premium for				
904.				
905.				
1000. Reserves Deposited with Lender				
1001. Hazard Insurance 3 months @ \$ 54.13 per month			162.30	
1002. Mortgage Insurance months @ \$ per month			0.00	
1003. City property taxes months @ \$ per month			0.00	
1004. County property taxes 2 months @ \$ 50.47 per month			100.94	
1005. Annual assessments months @ \$ per month			0.00	
1006. months @ \$ per month			0.00	
1007.				
1008.				
1009. Aggregate Accounting Adjustment			(158.68)	
1100. Title Charges				
1101. Settlement/closing fee				
1102. Abstract/title search				
1103. Title examination to Ihlenfeld Law Office PLLC			600.00	
1104. Title Insurance binder				
1105. Document preparation				
1106. Notary fees				
1107. Attorney's fees				
(includes above item numbers)				
1108. Title Insurance to First American			380.00	
(includes above item numbers)				
1109. Lender's coverage \$119,475.00				
1110. Owner's coverage				
1111. Courier Fee to Ihlenfeld Law Office PLLC			50.00	
1112. Document Fee to Ihlenfeld Law Office PLLC			50.00	
1113.				
1200. Government Recording and Transfer Charges				
1201. Recording: Deed 11.00 Mortgage 25.00 Release 0.00			36.00	6.00
1202. City/county tax/stamps: Deed 657.80 Mortgage				657.80
1203. State tax/stamps: Deed Mortgage			0.00	
1204.				
1205.				
1206.				
1300. Additional Settlement Charges				
1301. Survey				
1302. Pest Inspection				
1303.				
1304. VOD/VOM/VOR to Quicken Loans			10.00	
1305.				
1306.				
1307.				
1308.				
1400. Total Settlement Charges (This Number Transfers to Lines 103 & 602 Above)			5,854.00	663.80

CERTIFICATION

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Mary Jane Pauloy Seller
 Mary Jane Pauloy

 Seller

Roxanne (Bianca) Shea Borrower
 Roxanne Shea

 Borrower

To the best of my knowledge the HUD-1 Settlement Statement which I have prepared is true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

Mary Jane Pauloy Settlement Agent 5/10/06 Date
 Ihlenfeld Law Office PLLC

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

Settlement Statement
 Optional Form for
 Transactions without Sellers

 U.S. Department of Housing
 and Urban Development

OMB App. CVA No. 2502-0-001

Name & Address of Borrower:

Roxanne Shea, Daniel V. Shea

 Name & Address of Lender:
 Quicken Loans Inc. (Lender)
 20555 Victor Parkway
 Livonia, MI 48162

 Michael Lyon
 Vice President of
 Mortgage Operations

 21 Ridgewood Ave
 Wheeling, WV 26003

Property Location: (if different from above)

 21 Ridgewood Ave
 Wheeling, WV 26003

Settlement Agent:

Title Source, Inc.

Place of Settlement:

21 Ridgewood Ave, Wheeling, WV 26003

Settlement Date: 07/31/08

Disbursement Date:

08/06/08

Loan Number:

L. Settlement Charges
800. Items Payable in Connection with Loan

801. Loan Origination Fee 1.000 % to: Quicken Loans Inc.

\$1,632.50

803. Appraisal Fee to: WILSON APPRAISAL SERVICE LLC

\$350.00

804. Credit Report to: Creditco

\$18.17

807. Flood Life of Loan Coverage to: First American Flood

\$5.00

808. Flood Cert Fee to: First American Flood Data Services

\$10.50

813. MI Paid In Cash

\$0.76

808. Title Appraisal Services

\$50.00

900. Items Required by Lender to be Paid in Advance

901. Int. from 08/05/2008 to 08/31/2008

\$702.21

@ \$ 28.23 per day for 27 days

\$2,280.00

902. Mortgage Insurance Premium for 12 Months Financial

\$320.82

1001. Hazard Insurance - 0 months @ \$ 54.97 per month

\$93.64

1002. Mortgage Insurance 1 months @ \$ 54.97 per month

\$178.53

1004. County Taxes 3 months @ \$ 59.51 per month

\$228.51

1008. Aggregate Acct. Adjustment

\$228.51

1100. Title Charges Title Commitment# 02D27610

\$76.00

1101. Settlement/Closing Fee to: Title Source Inc - Notary

\$160.00

1102. Abstract or Title Search to: TITLE SOURCE, INC.

\$187.00

1108. Title Insurance to: TITLE SOURCE, INC.

\$30.00

1113. Add'l Endorsement Fee to: Title Source Inc - Notary

\$18.00

1116. Tax Certification Fee to:

\$24.00

1200. Government Recording and Transfer Charges

\$45.00

1201b. Recording Mortgage Fee

\$57.05

1300. Additional Settlement Charges

\$6,017.36

1307. Express Mail/Courier Fee to:

\$6,017.36

1309. Current Taxes Due to: OHIO COUNTY

\$6,017.36

1400. Total Settlement Charges

\$6,017.36

(enter on line 1602)

\$6,017.36

M. Disbursements to Others

1501. COWEN LOAN SERVICING L

\$30,050.00

1602. AMERICA'S SERVICING CO.

\$119,961.02

1620. TOTAL DISBURSED (enter on line 1603)

\$150,010.00

*Credit 808, 1201, 1113, 804, 1102, 1108, 803,

807, 1116, 1307, 888, and \$281.53 of 1101

N. NET SETTLEMENT

1600. Loan Amount

\$155,540.00

1601. Plus Deposit Previously Received

\$300.00

Lender Credit *see above

\$1,200.00

1602. Minus Total Settlement Charges

\$6,017.36

(line 1400) POC - Not in Total

\$0.00

1603. Minus Total Disbursements to Others

\$150,010.00

(line 1620)

1604. Equals Cash to Borrower

\$210.00

(after expiration of any applicable

rescission period required by law)

Borrower(s) Signatures:

07/31/2008

07/31/2008

Roxanne Shea

Date

Daniel V. Shea

Date

Date

Date

VMP-004 (m01).pdf 2007/09

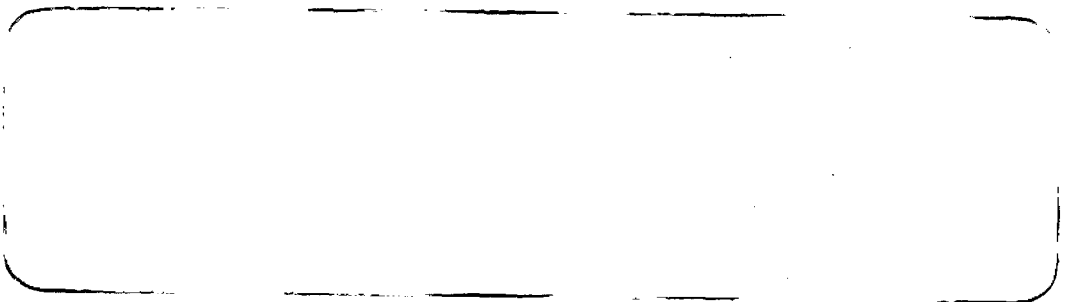
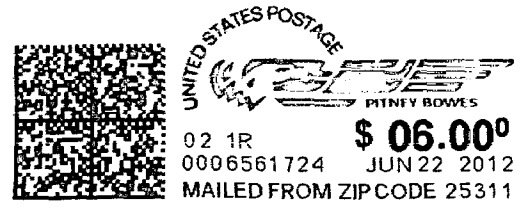
form HUD-1A (2/84)

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ref. RESPA

Exhibit D

CERTIFIED MAIL



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